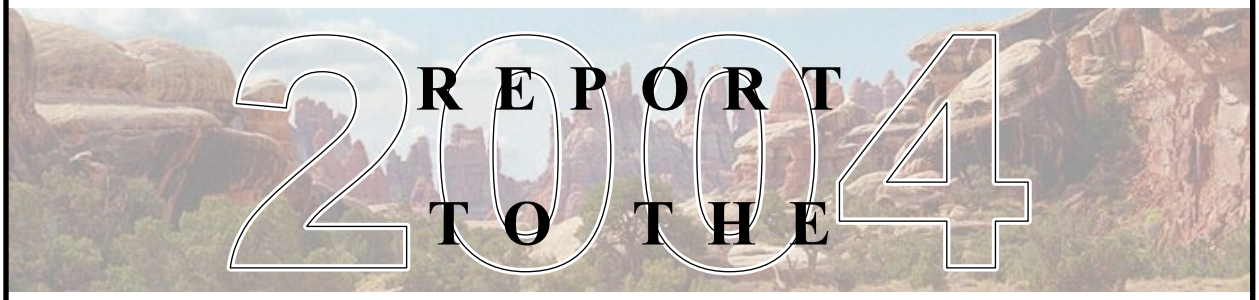
E C O N O M I C



R E P O R T

T O T H E

G O V E R N O R

State of Utah
Olene S. Walker
Governor

E C O N O M I C

R E P O R T

T O T H E

G O V E R N O R

2004 EXCERPTS

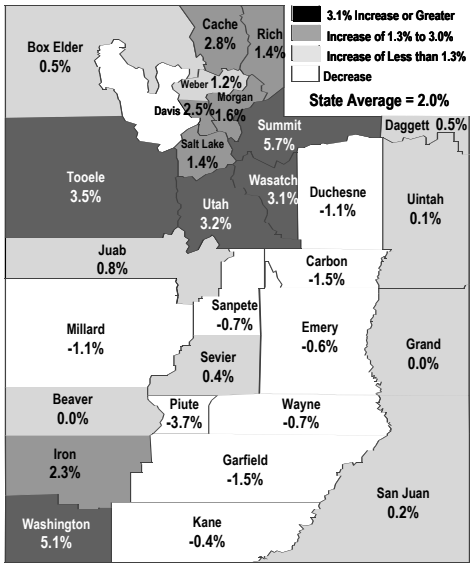
State of Utah
Governor Olene S. Walker

Demographics

- **Population:** The state's official July 1, 2003 population was estimated to be 2.39 million, increasing 2.0% from 2002. Although the state continues to experience net in-migration, natural increase accounts for the majority of Utah's population growth.
- **Rate of Growth:** According to the U.S. Census Bureau, Utah ranked eighth among states with a population growth rate of 1.4% from 2002 to 2003. The U.S. rate of growth was 1.0%.
- **Median Age:** According to Census 2000, Utah continues to be the youngest state in the nation, with a median age of 27.1, compared to 35.3 nationally.
- **Long-Term Projections:** The state's population is projected to be 2.79 million in 2010, to surpass 3.37 million by 2020, and to reach 3.77 million by 2030.

2003 Utah Population Estimate	2,385,358
2002-2003 Percent Change	2.0%
2003 Net Migration	9,877
2003 Natural Increase	36,720
2003 Fiscal Year Births	49,518
2003 Fiscal Year Deaths	12,798

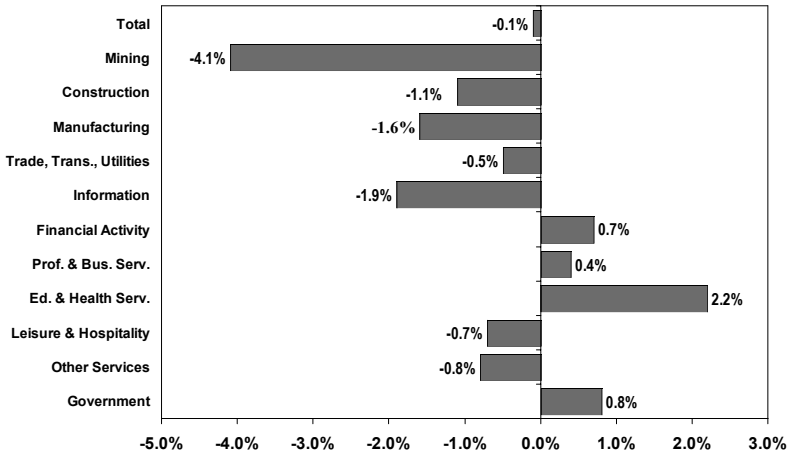
Population Growth Rates: 2002-2003



Employment and Wages

- **Job Growth** – Job growth rebounded slightly from -0.7% in 2002 to -0.1% in 2003.
- **Industry Focus** – Education and health services led the state in job growth from 2000 to 2003. Financial activity, professional and business services, and government (except state government) experienced positive job growth, while many industries experienced a decline in job growth.
- **Unemployment** – Utah's 2003 unemployment rate registered at 5.8%. On average, there were 68,900 Utahns unemployed in 2003.
- **Average Wage** – In 2003, Utah's average annual nonagricultural wage was $30,537 (an increase of 1.4%). This is slightly below the previous year's 1.6% increase. Both years represent not only small gains, but also the smallest yearly increases since a 2.4% increase in 1993.

Percent Change in Utah Employment by Industry: 2002-2003 Annual Averages



Source: Department of Workforce Services

Total Nonagricultural Employment (2003p)	1,072,800
Decrease (2002-2003)	-946
Percent Change (2002-2003)	-0.1%
Unemployment Rate (2003)	5.8%
Total Nonagricultural Wages (2003p)	**$32.8 billion**
Percent Change (2002-2003)	1.3%
Average Annual Wage (2003p)	**$30,537**
Percent Change (2002-2003)	1.4%
Total Personal Income (2003p)	**$57.1 billion**
Percent Change (2002-2003)	2.0%
Per Capita Personal Income (2003p)	**$24,330**
Percent Change (2002-2003)	0.7%

Note: p=preliminary

Industry Focus

- **Construction** - The value of permit-authorized construction set an all-time record in 2003 of $4.5 billion. Residential construction had a phenomenal year with $3 billion in new construction. Condominium construction had the best year since the late 1970s, as it captured over 10% of the residential market.

- **Tourism** - The lingering effects of 9/11, the war with Iraq, SARS, and difficult economic conditions presented a challenging set of circumstances for the travel industry in 2003. The increase in destination skiers, gains in the restaurant sector, and increases from regional and discount airlines helped the amount of spending and employment related to travel and tourism to improve slightly. A successful 2002 Olympic Winter Games played a significant role in attracting more destination skiers to the state in 2003.

- **Exports** - Utah's exports fell 8.8% during 2003, from $4.5 billion to $4.1 billion. Air shipments of gold to Switzerland and the United Kingdom accounted for almost 40% of the total during 2003. Signaling the beginning of a new trend in the global economy, Utah's exports to China exceeded $100 million for the first time ever, ranking China the sixth-largest market for Utah exports. As the world economic recovery strengthens during 2004, Utah's exports should begin to grow.

- **High Technology** - Utah's high technology sector continued to lose jobs during 2003, following a decline that began in 2001. Companies that engage in computer system design and computer and peripheral equipment manufacturers have been hardest hit. Other industries that posted job losses of more than 100 workers include semiconductor and electronic component manufacturers and aerospace products manufacturers. Only three industries (medical equipment and supply, engineering services, and scientific research) reported job growth of more than 100 workers.

- **Energy and Minerals** - Economic recession, combined with mild winter weather and increasing prices have slowed the rise in Utah's demand for energy. Motor fuel prices have declined from record peaks early in 2003, but remain higher than 2002. Utah's coal industry supplies most of Utah's electricity needs, with natural gas adding new base load and peaking capacity. Residential and industrial natural gas prices have risen substantially since 1980. Utah's energy industry is meeting rising consumer demand with fewer employees as technology gradually automates production, processing and delivery.

- **Agriculture** - Like the rest of the economy, agriculture appears to be headed toward a period of relative prosperity. Growth in income will be led by increases in the prices paid for meat. This will especially be of benefit to Utah where the production of livestock and livestock products dominate. However, Utah agriculture has been adversely affected by the drought, and recovery will not occur unless precipitation patterns change.

Major Findings

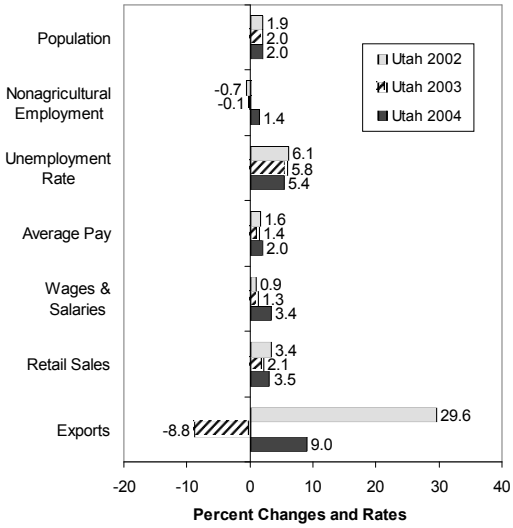
- **Overview of the Economy** - Utah's economy improved only slightly in 2003 due to the lingering effects of the national recession, the technology sector slowdown, and the completion of the 2002 Olympic Winter Games. Utah's 2003 personal income growth of 2.0% was the weakest since 1954 and its two years of consecutive job growth losses were the worst in 57 years.

- **Return of the Construction Boom** - The lowest mortgage rates in 50 years produced an unprecedented residential building boom in 2003. For the first time, residential construction valuation topped $3 billion. And permitted single-family housing units set a near record high of 16,500 units. Only 1977 came in higher at 17,400 units. Consequently, the total value of construction permits set an all-time record of $4.5 billion in 2003.

- **Record Defense Spending** - Defense spending in Utah hit a record high of $2.47 billion in 2002, an increase of 5% over 2001. Defense expenditures in 2003 should grow another 5% to around $2.60 billion.

- **Outlook for 2004** - Most economic indicators will improve in Utah in 2004. Employment will grow 1.4% (up from -0.1% in the prior year), wages and salaries will grow 3.4% (up from 1.3% in 2003), taxable sales will grow 3.2% (up from 0.8% the prior year), net in-migration will increase to 10,600 (up from 9,900 in 2003), the unemployment rate will fall to 5.4% (down from 5.8% in 2003), and personal income will increase to 4.0% from 2.0% the prior year. By the end of 2004, Utah should be back on a moderate growth path and continue to outperform the nation.

Utah Economic Indicators: 2002-2003



Source: Council of Economic Advisors' Revenue Assumptions Committee

Significant Utah Rankings

	State Rank	Value*	Year
Demographic			
Population Growth Rate	8th	1.4%	2002-2003
Fertility Rate	1st	2.68	2003
Life Expectancy	3rd	78.6 years	2000
Median Age	1st	26.7 years	2000
Household Size	1st	3.13 persons	2000
Social Indicators			
Violent Crime	8th	236.9 per 100,000 people	2002
Poverty Rate	38th	9.3%	2000-2002
Educational Attainment	4th	91.0% of persons 25+ w/ high school degree	2002

	State Rank	Value*	Year
Economic			
Rate of Job Growth	N/A	-0.1%	2003
Urban Status	9th	88.3% urban	2000
Unemployment Rate	N/A	5.8%	2003
Median Household Income	12th	$48,537	2000-2002
Average Annual Pay	36th	$30,580	2002
Per Capita Personal Income	47th	$24,157	2002

Notes: 1) Rankings are based on the most current data available for all states, and may differ from more recent data available for Utah only.
2) Rank is most favorable to least favorable.
3) N/A = Not Available.

STATE OF UTAH

OLENE S. WALKER
GOVERNOR

OFFICE OF THE GOVERNOR
SALT LAKE CITY
84114-0601

GAYLE F. MCKEACHNIE
LIEUTENANT GOVERNOR

January 8, 2004

My Fellow Utahns:

I am pleased to accept the *2004 Economic Report to the Governor*. I commend my Council of Economic Advisors for their service and for the research that went into the preparation of this annual report. The report serves as a critical resource for the state of Utah's research and planning needs during the upcoming year.

The past two years, from an employment perspective, have been the two most difficult consecutive years this state has seen since World War II. This year is beginning on a brighter note, and while we still are faced with sluggish employment growth and serious budgetary challenges, I have a new sense of optimism about our future.

In my inaugural address, I mentioned education is in my DNA. I intend to work hard to continue to promote education as a priority of my administration. Our schools are highly successful, but we must ensure the quality of our children's education does not diminish as we see enrollment growth. Our children are Utah's future, and their key to success begins at home and in the classroom.

Our Utah Constitution mandates we live within our means. It requires a balanced budget, meaning we must ensure our system of revenues and expenditures is structurally sound. In this spirit, I have outlined a plan to review the entire tax structure of our state. The plan will be fair and reflective of our modern economy and ensure our resources will adequately meet our growing needs.

It is an honor for me to represent a state known for service. I encourage you all to continue to give willingly of your precious time. Each of us has something to contribute, and by giving your time, you can positively change lives. I am grateful for the trust you have bestowed in me as governor of this great state, and I welcome your feedback as we move forward into Utah's future together.

Sincerely,

Olene S. Walker
Governor

Preface

The *2004 Economic Report to the Governor* is the 18th annual publication of its kind in Utah. The Economic Report is the principal source for data, research, and analysis about the Utah economy. It includes a national and state economic outlook, an analysis of economic activity based on the standard indicators, and a more detailed review of industries and issues of particular interest. The primary goal of the report is to improve readers' understanding of the Utah economy. With an improved economic literacy, decision makers in the public and private sector will then be able to plan, budget, and make policy with an awareness of how their actions are both influenced by and impact economic activity.

Council of Economic Advisors. The Council of Economic Advisors (CEA) provides guidance for the contents of this report. The CEA is an advisory committee to the Governor and includes representatives from state government agencies, Wells Fargo Bank, Thredgold Economic Associates, Federal Reserve Bank of San Francisco, Utah Foundation, and all of Utah's major research universities. The mission of the CEA is to provide information and analysis that enhances economic decision-making in Utah. This report is the primary means of the CEA to communicate economic information to the general public.

Collaborative Effort/Contributors. Chapter authors, many of whom are special advisors to the CEA and who represent both public and private entities, devote a significant amount of time to this report, making sure that it contains the latest economic and demographic information. While this report is a collaborative effort which results in a consensus forecast for the next year, each chapter is the work of the contributing organization, with review and comment by the Governor's Office of Planning and Budget. More detailed information about the findings in each chapter can be obtained by contacting the authoring entity (see list of Contributors).

Statistics Used in This Report. The statistical contents of this report are from a multitude of sources which are listed at the bottom of each table and figure. Statistics are generally for the most recent year or period available as of mid-December 2003. Since there is a quarter or more of lag time before economic data become final, the data for 2003 are preliminary estimates (p). Final estimates (e) can be obtained later in 2004 from the contributing entities. Forecasts will be indicated in tables and figures with an (f). An (r) indicates the data has been revised. An (na) indicates that the data was not available at the time of printing.

All of the data in this report are subject to error arising from a variety of factors, including sampling variability, reporting errors, incomplete coverage, non-response, imputations, and processing error. If there are questions about the sources, limitations, and appropriate use of the data included in this report, the relevant entity should be contacted.

Note that there are two types of fiscal years used in this report. The State of Utah's fiscal year runs from July 1 to June 30, while the federal government's fiscal year runs from October 1 to September 31. The fiscal year should also be differentiated from the calendar year (January 1 to December 31).

Statistics for States and Counties. This report focuses on the state, multi-county, and county geographic level. Additional data at the metropolitan, city, and other sub-county level may be available. For information about data for a different level of geography than shown in this report, the contributing entity should be contacted.

New This Year. While the content of this report, other than introducing a new year of data and analysis, is similar to prior years, several updates and new data series or research efforts are worthy of highlighting. The Special Topics section of this report contains four new chapters, including: *QGET Baseline Scenario*; *Immigrants/Foreign-Born Population*; *Long-Term Projections Tools: From UPED to REMI*; and *Utah Test Scores*.

Electronic Access. This report is available on the Governor's Office of Planning and Budget's Internet web site at http://www.governor.utah.gov/dea.

Glossary. Terms and definitions used in this report are available on the Governor's Office of Planning and Budget web site at the address listed above.

Suggestions and Comments. Users of the Economic Report to the Governor are encouraged to write or call with suggestions that will improve future editions. Suggestions and comments for improving the coverage and presentation of data and quality of research and analysis should be sent to the Governor's Office of Planning and Budget, 116 State Capitol, Salt Lake City, Utah 84114. The telephone number is (801) 538-1036.

Contents (With Links)

Figures (With Links)

Figures (continued)

Tables (With Links)

Tables (continued)

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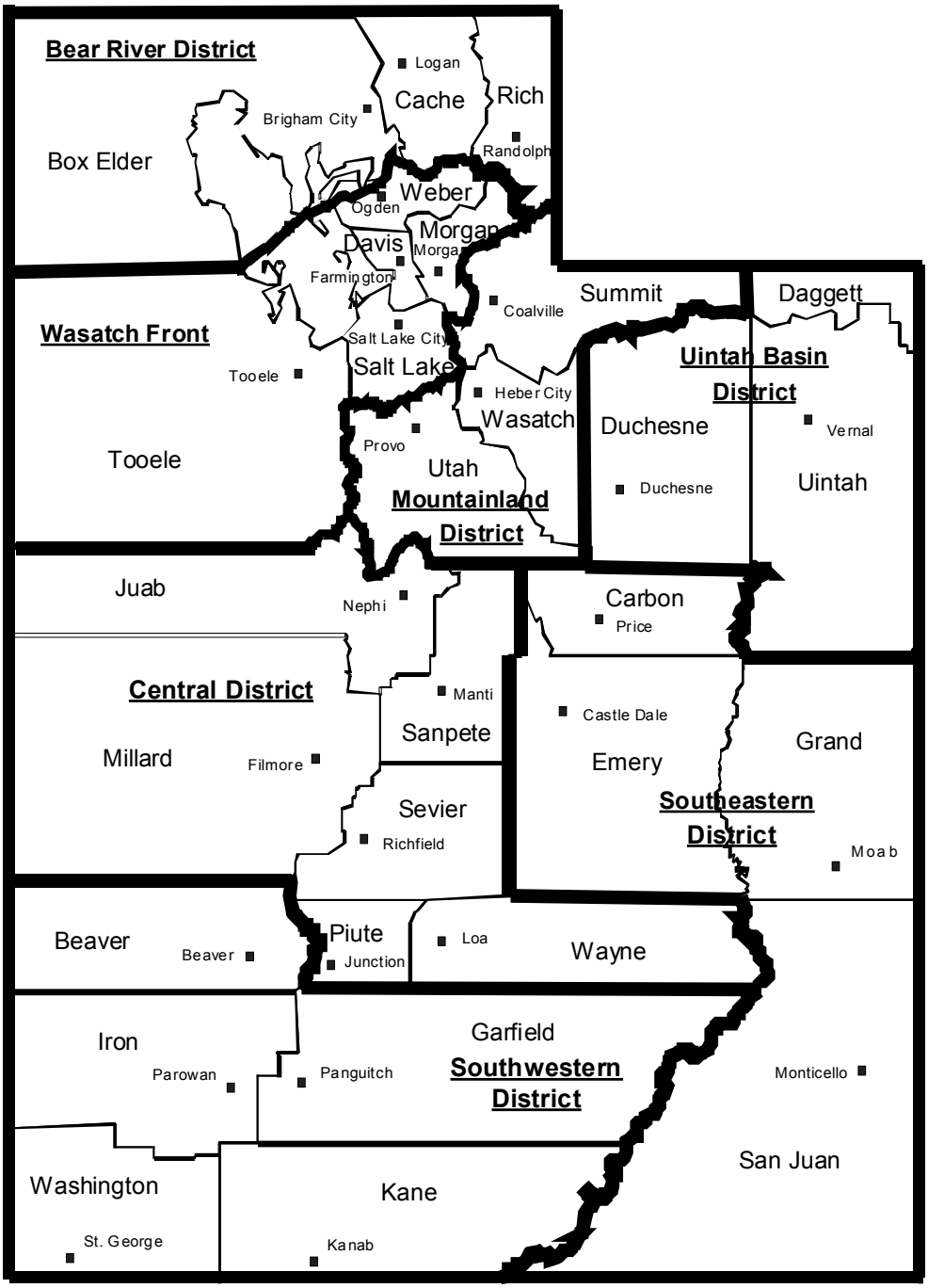
Map of Utah


Bear River District
Logan
Cache
Rich
Brigham City
Box Elder
Randolph
Weber
Ogden
Davis
Morgan
Morgan
Farmington
Summit
Daggett
Coalville
Wasatch Front
Salt Lake City
Salt Lake
Uintah Basin District
Tooele
Heber City
Wasatch
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Filmore
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Southeastern District
Richfield
Moab
Beaver
Beaver
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Junction
Loa
Wayne
Iron
Garfield
Parowan
Panguitch
Southwestern District
Monticello
San Juan
Washington
Kane
St. George
Kanab

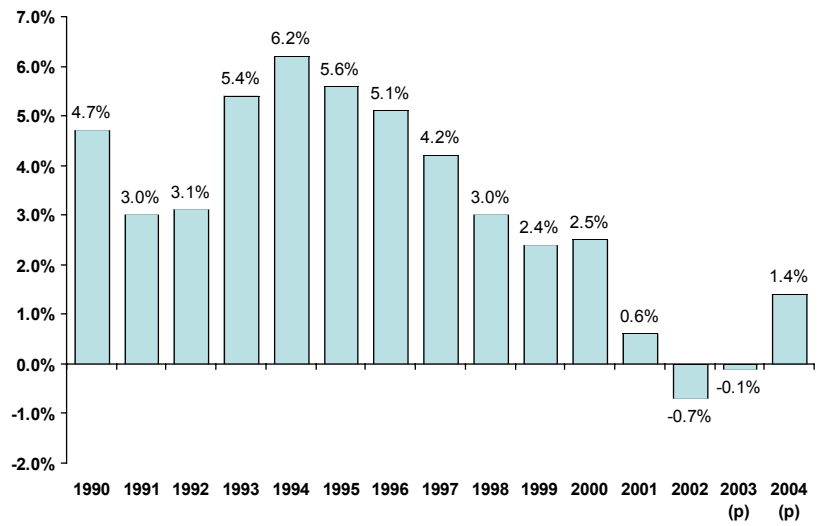
Executive Summary

Executive Summary

Utah's economy improved only slightly in 2003 due to the lingering effects of the national slowdown, the bursting of the dot-com bubble, and the completion of the 2002 Olympic Winter Games. Utah's 2003 personal income growth of 2.0% was the weakest since 1954, and the recent two years of consecutive job losses were the worst in 57 years.

Not since the end of World War II has Utah experienced back-to-back years of employment contraction. Without the national technology collapse, Utah would not have been hit as hard as it has. Mirroring national conditions, between January 2001 and June 2003, Utah's high technology sector lost almost 10,000 jobs. This represents a drop of 15.0% from 66,400 high technology jobs to 56,400. The majority of employment contraction that has occurred in Utah is accounted for by the technology sector.

Figure A. Utah Resumes Job Growth After Two Years of Contraction

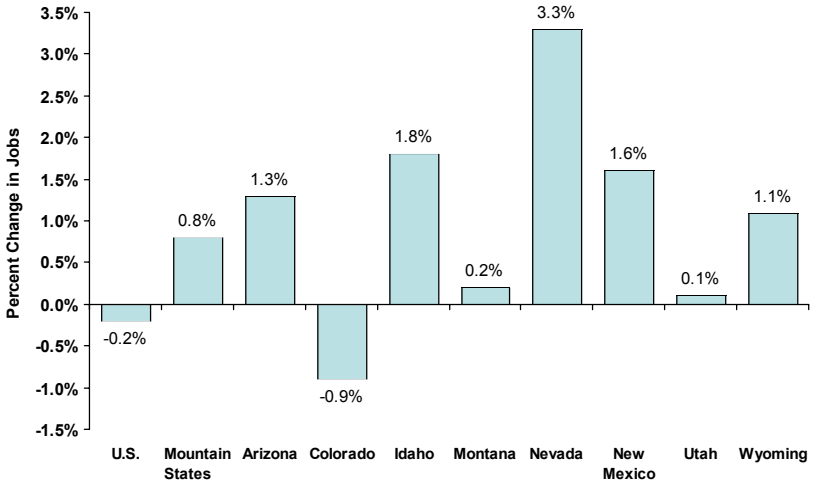


Sources: Utah Department of Workforce Services and the Council of Economic Advisors Revenue Assumptions Committee

Still, record high defense spending and near record new housing starts helped steady the Utah economy during 2003. In terms of value, Utah experienced its best year ever in 2003 due to the lowest mortgage rates in 50 years. This occurred despite poor job growth and modest net in-migration. And, according to the latest Bureau of Labor Statistics data, Utah's economy continued to outperform the nation and registered positive year-over job growth as recently as October and November of 2003.

Outlook. The outlook calls for a return to moderate growth during 2004. Service industries will remain the largest source of new jobs in the state during 2004. Manufacturing and other goods producing industries will show weak growth. Over the long run, Utah usually performs better than the nation due to strong internal population growth, a young, well-educated workforce, low business costs, and a strong work ethic. Overall, employment should grow 1.4%. With record high births and some in-migration, population growth should match the 2003 rate of 2.0% during 2004, about twice the national rate.

Figure B. Mountain States Job Growth: October 2003 over October 2002



Source: U.S. Bureau of Labor Statistics
Note: October 2002 and October 2003(p) BLS data differs from Utah Department of Workforce Services data.

International, National, and Regional Context

Global Growth. With the U.S. leading the way by importing products from around the world at a record pace, global economic prospects improved during 2003 and the outlook is good for 2004. As Operations Enduring and Iraqi Freedom progress, and the geopolitical situation stabilizes, trade and growth will strengthen economies throughout the world.

National Recovery. Economic conditions in the U.S. are improving as both demand and production rise. Through tax cuts and low interest rates, fiscal and monetary policy have supported consumer spending and, to a lesser extent, business investment. Consumer spending and new home construction have been driving the recovery. With employment growing 1.1% during 2004, consumer spending will continue to grow. Business investment in plant and equipment has been weak since the recession began in 2001, but with job growth and reduced geopolitical concerns, investment should pick up during 2004. Overall, inflation-adjusted GDP is expected to grow 4.3% during 2004, real consumption is expected to grow 3.7%, and inflation-adjusted investment is expected to grow 6.1%.

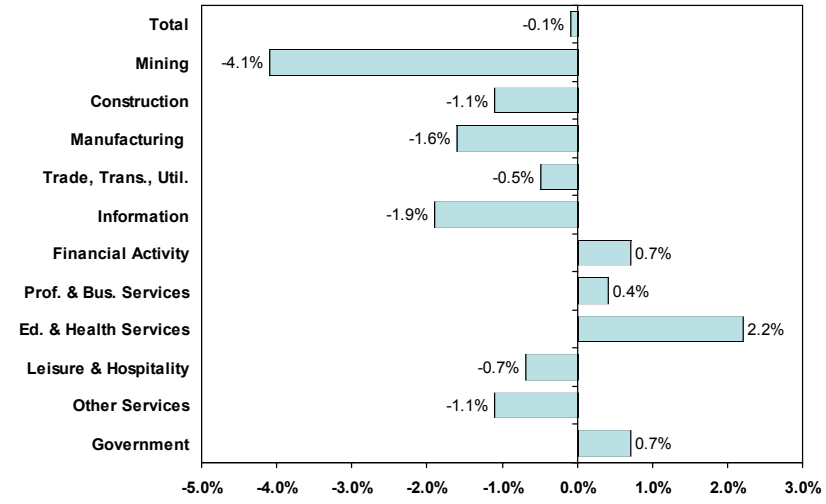
End of Struggle in the Mountain States. Utah and the mountain region continued to struggle in 2003. The jobless recovery hampered the region as whole, while the post-Olympic period presented special challenges in Utah. Wages and income suffered. Areas in the western United States have shown strikingly different trends during the last five years, with Nevada as the leader in growth. Wyoming has also shown resilience, in part due to the oil and natural gas industries that dominate

the state's economy. Population growth has exceeded the national average for almost all western states, including Utah, but seems to be slowing in the mountain states, excluding Arizona and Nevada. As the recovery strengthens across the nation during 2004, the struggle in the mountain states should end.

Population

Utah's population grew 2.0% during 2003, about twice the national rate. Despite a flat economy, net migration was almost 10,000. Population growth appears to have entered a slower period that may extend for several years, in contrast to the 1990s, where growth exceeded 2.5% in most years, topping 3.0% in 1991, 1992, and 1994. While the current slower growth period reflects less economic opportunity, it also presents less challenge in terms of transportation infrastructure, housing, and critical lands preservation.

Figure C. Service Industries Showed Growth

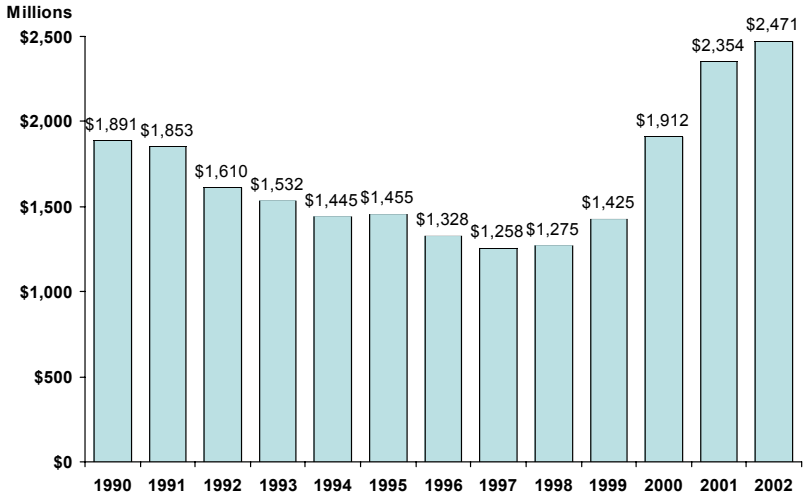


Source: Utah Department of Workforce Services

Jobs and Wages

As 2003 closed, Utah's economy began to recover from its worst slump since 1954. After falling by almost 8,000 in 2002, nonfarm employment fell by another 1,000 during 2003. The recession that began in 2001 is Utah's only post war recession in which average annual employment fell two years in a row. On a bright note, although jobs for the year during 2003 are down, on a monthly basis, employment began to grow during the last half of 2003. With the positive turn at the end of 2003, employment is expected to grow a modest 1.4% during 2004. With employment growing, the unemployment rate is expected to fall from 5.8% in 2003 to 5.4% in 2004.

Figure D. Defense Spending in Utah at a Record High



Sources: U.S. Department of Commerce, Bureau of the Census; Department of Defense

The 2003 rate of job change in Utah's major sectors ranged from -4.1% in mining to 2.2% in education and health. Information fell -1.9%, manufacturing fell -1.6%, construction fell -1.1%, and trade, transportation and utilities fell -0.5%. Government grew 0.8%, finance grew 0.7%, and professional and business services grew 0.4%. In 2004, construction will continue to fall, but most industries should see improvement.

Utah's average annual nonagricultural pay was $30,500 during 2003, up 1.4% from 2002. After seven years in a row of solid gains in which wages grew faster than inflation, wages matched inflation during 2002, but wages grew less than inflation during 2003. With the economy growing again, wages should outpace inflation during 2004 and the standard of living in Utah should resume the upward trend of the 1990s.

Economic Performance by Sector

Economic performance varied across sectors during 2003. Given the ongoing geopolitical situation, it is not surprising that defense was up. Minerals were up as well, with global economic growth resuming. Other sectors range from mixed to down.

Defense and Minerals Up

Defense. Utah's defense industry continued with solid growth during 2003, as Northrup Grumman expanded at Hill Air Force Base, and as Operations Enduring and Iraqi Freedom proceeded. At this point, U.S. defense spending appears to be on an upward track at least through 2010, which will keep Utah's defense sector growing. Defense spending in Utah during 2002 totaled $2.47 billion, up 5.0% from 2001.

Minerals. At $1.9 billion during 2003, the value of mineral production in Utah was increased over $60 million, or almost 3% from 2002. Improving metal prices, increasing production and the improving global economy drove the increase during 2003. Contributions from the major industry segments were: base metals ($715 million), industrial minerals ($586 million), coal ($445 million), and precious metals ($133 million). The Utah Geological Survey estimates that 82 Large Mines (including coal) and 113 Small Mines will report

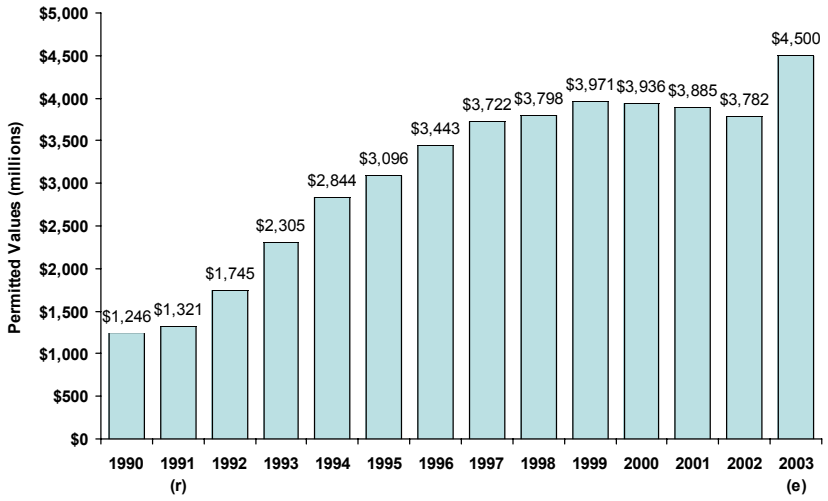
production in 2003, compared to 81 Large Mines and 94 Small Mines in 2002. Utah contributed about 3% of the U.S. total value of non-fuel minerals production in 2002. Excluding copper, metals production and prices should be up in 2004.

Construction, Energy, and Tourism Mixed

Construction. The lowest interest rates in a half century powered construction to a record high of $4.5 billion permitted value. Most of this relatively strong performance is due to the residential sector (new homes and apartments). New home construction in 2003 totaled 16,500 units, ranking second to the all-time high of 17,400 new homes in 1977. Reinforcing the residential sector, non-residential permit values increased over 10% in 2003 to $1.0 billion. While the value of construction is holding up well, employment is not. Since peaking at 72,800 in 1999, construction employment declined for the fourth year in a row to 67,100 during 2003, down almost 10% from the 1999 high.

Energy. Utah's 2003 crude oil production of almost 13 million barrels was about one-third of the 1985 peak, when 41 million barrels were produced. This decline can only be offset with new well drilling. Given the trend in drilling, Utah's consumers will increasingly have to look elsewhere for both crude oil and other petroleum products. On the other hand, Utah's natural gas capacity has risen steadily over the years, primarily due to an increase in its coal bed methane fields. Actual sales of natural gas from Utah fields during 2003, 245 billion cubic feet, were near the 2002 record of 247 billion cubic feet. Economic recession, combined with mild winter weather, and increasing prices slowed the rise in Utah's demand for energy during 2003.

Figure E. Construction Value Powered to Record High by Low Interest Rates



Source: University of Utah, Bureau of Economic and Business Research, November 2003.

Tourism. The lingering effects of 9/11, Operation Iraqi Freedom, SARS, and difficult economic conditions presented a challenging set of circumstances for Utah's tourism sector in 2003. Overall, visitation was down just slightly from 2002, which, considering the boost to visitation from the 2002 Olympic Winter Games, means 2003 was a solid year for tourism. An increase in destination skiers and gains in the restaurant sector helped the amount of spending and employment related to travel and tourism to improve slightly. A successful 2002 Olympic Winter Games played a significant roll in attracting more destination skiers to the state in 2003. As the economy improves, the amount of tourism, travel, and recreation in Utah should increase.

Agriculture, High-Tech, and Exports Down

Agriculture. A drought not seen since the dust-bowl of the 1930s continued to hamper farming during 2003. Farm sales declined $60 million from $1.12 billion in 2001 to $1.06 billion in 2002, with this down trend continuing into 2003. The lack of moisture limited production of crops and forage in most areas of the state in 2003. For example, barley production in Utah was projected to decline by 28% from 2002 to 2003. Some dry farmers have found it unprofitable to either plant or harvest wheat. Ranchers have also been forced to sell cows as a result of reductions in the amount of forage that grazing lands have produced. The low levels of production resulted in significant disaster payments to farmers. USDA's Farm Service Agency reported that more than $9 million had been paid to Utah producers as of October 2, 2003 for crop losses that occurred in 2001 or 2002. Production declines, however, were partially offset by higher prices for some commodities. Many livestock producers, for example, were able to sell calves at all time high prices during the fall of 2003. Grain prices have also strengthened. In contrast to rising prices for livestock and grains, hay prices declined from record levels during 2003.

High Technology. During 2003, Utah's high technology sector continued a decline that began in 2001. From January 2001 through June 2003, Utah's high-tech sector lost 9,929 jobs, a drop of about 15%. Companies that engage in computer system design and computer and peripheral equipment manufacturers have been hardest hit, posting job losses totaling 5,500. However, the rate at which high technology jobs are declining appears to be slowing. Average employment in the high-tech sector for the first six months of 2003 is just 3.3% lower than average employment during the same period last year. While high technology will rebound as the overall economy improves, it may take several years before employment returns to the peak of 2000.

Exports. Utah's exports fell 8.8% during 2003, from $4.5 billion to $4.1 billion. Utah's merchandise exports have been at or above $3.0 billion since 1997 and above $4.0 billion since 2002. Air shipments of gold to Switzerland and the United Kingdom accounted for almost 40% of the total during 2003. Signaling the beginning of a new trend in the global economy, Utah's exports to China exceeded $100 million for the first time ever, ranking China the sixth-largest market for Utah exports. As the world economic recovery strengthens during 2004, Utah's exports should begin to grow.

Significant Issues: International Immigration, Long Run Growth, and the REMI Projections Tool

The Foreign Born Population. Immigration to the U.S. has been at historic levels for the past 30 years in what has been called the Second Great Migration Wave. In contrast to the vast immigration from 1880 through 1920, the majority of these recent migrants have come from

Latin America and Asia rather than Europe. This immigration has significantly impacted Utah as its foreign-born population increased from 58,600 in 1990 to 158,664 in 2000, accounting for at least 20% of the population growth of the state in the 1990s. About three-quarters (74,058) of this increase originated in Latin America. Because of the magnitude and regional sources of these flows, this most recent wave of immigration has dramatically increased the racial and ethnic diversity of the nation and Utah. If recent trends continue, diversity will become a central feature of Utah's long run growth.

Long Run Growth. For almost a decade, the Quality Growth Efficiency Tools (QGET) Work Group has been analyzing growth issues in The Greater Wasatch Area, a 10-county region along the front and back of the Wasatch Mountain Range. The 2003 Baseline Growth Scenario continues a series of studies on the demographic, economic, air quality, water, transportation, and land use future for the Greater Wasatch. The steady and rapid population growth within the region places increasing demands on public services. The growth also places a strain on the environment because of the unique geographical layout of the area, which is bounded by mountain ranges and water bodies and includes land that is essentially arid. The 2003 Baseline suggests that growth to 2030 can be accommodated while the quality of life improves, but not without good planning.

Regional Economic Models Incorporated (REMI) Projections Tool. The primary input to QGET style growth analysis is economic and demographic projections. For three decades the Utah Process Economic Demographic (UPED) model was the tool used by analysts to develop projections at the state, region, and county level. Because of ongoing maintenance concerns, in 2001 the UPED Steering Committee was created to review the status of UPED and to consider alternatives. After the effort and cost of continuing UPED became clear, the Steering Committee concluded the State of Utah should switch to REMI. What is now known as the REMI model was originally developed by researchers at the University of Massachusetts, with a version of the model system adapted for the National Academy of Sciences. In 1980, REMI was founded as a company to maintain and market a model originally conceived as a tool to analyze regional growth within the United States, but is now being applied around the world. The State of Utah has a long history of producing detailed and accurate long-term projections. REMI will ensure that Utah's official long-term projections maintain their high standards of quality and accuracy for many years to come.

Looking Ahead

As the recovery strengthens, Utah's economy should resume moderate growth during 2004. After two consecutive years of job losses, employment should grow 1.4% during 2004. The unemployment rate is expected to fall from the current 5.8% to 5.4%, levels not seen since the early 1990s. Resuming a trend interrupted in 2003, wages will increase faster than inflation during 2004.

Continued migration into Utah throughout the recession suggests that Utah will show strong growth in the long run. Strong international migration brings an even more diverse economy and society for Utah. Current expectations are that the Greater Wasatch will add at least 1 million residents by 2030, giving the urban area a population of more than 3 million, the current size of the Phoenix metropolitan area. REMI, Utah's new projections tool, will assist analysts to better anticipate and understand growth challenges.

Economic Outlook

National Outlook

Overview

The economic status of the United States is improving with both demand and production increasing. Consumers continue to spend particularly due to tax cuts and refinancing. Fiscal and monetary policy continue to encourage consumer and business spending, while low mortgage rates have encouraged home sales and home building. Productivity gains continue to support the recovery. GDP is accelerating and should grow by 4.3% in 2004. Retail spending is up and travel and tourism activity is improving.

Consumer spending has been the primary support for the economy during the recession. However, consumers are being affected by the many layoffs occurring and consumer confidence has declined in 2003. In order for consumer spending to be sustainable, job growth will have to strengthen above current levels. Investment is expected to improve in 2004. Federal government spending continues to be a factor in the recovery.

Labor markets have stabilized in the past year. This trend is expected to continue through 2004. The unemployment rate is projected to drop to 5.9% in 2004.

Summary of Economic Conditions

Employment growth has shown a gradual improvement and corporate profitability has been improving. Productivity gains and wage constraints have allowed businesses to grow while limiting labor costs. As a result, the unemployment rate is expected to reach 6.1% in 2003. Oil prices have been increasing and are expected to moderate only slightly. GDP is expected to grow by 2.9% in 2003 and by 4.3% in 2004. Employment decreased by 0.3% in 2003. Inflation should remain near 2.3% for 2003.

The accelerated pace of technological change and productivity growth will continue to help the economy. Equipment spending is beginning to increase. As cash flows begin to improve, this trend will continue. Monetary policy continues to work as a stimulant to economic growth.

Debt burdens continue to remain high and may cause some consumers to be cautious in their spending. However, tax cuts and refinancing will continue to facilitate household efforts to restructure and reduce debt loads.

Outlook for 2004

Businesses are expected to resume spending in 2004. Aggressive monetary and fiscal stimulus, lower oil prices, and the sound underlying structure of the economy are expected to generate a pickup in demand for both consumers and businesses. Unemployment will drop to 5.9% and average wage growth is expected to hold at 3.9%. Employment for 2004 is expected to increase by 1.1%.

Potential risks to the economy in 2004 include slowdowns in both foreign and state government spending. There is also potential weakness in both consumer and business confidence. Global business connections could affect the recovery. Currently, exports are expected to contribute to growth as a result of the weakened dollar.

Consumer spending is expected to increase as a result of improved job conditions. Business investment and exports are both expected to improve. Tourism is expected to show improvement, as well as other service related activities. Oil prices are expected to moderate through 2004.

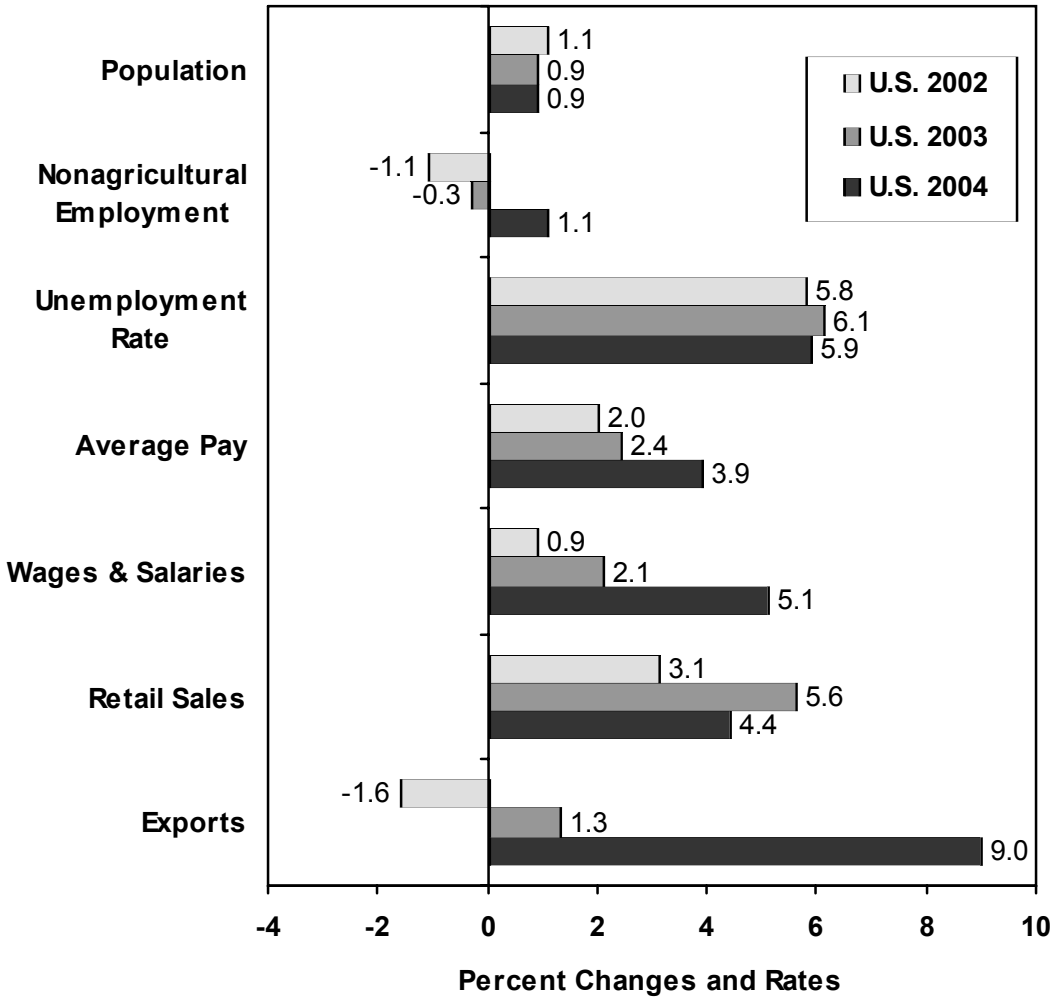
Significant Issues

Consumer Markets. Consumers will continue to remain concerned about employment and wage trends. However, as employment improves, consumer spending will increase. For this reason, consumer spending is expected to improve early in 2004. National retail sales are expected to grow by 4.4%. Travel and tourism are expected to improve in 2004.

Business Investment. Business investment is beginning to contribute to the economic recovery. This is expected to continue through 2004. Fixed investment is expected to grow by 6.1% in 2004. Equipment and software purchases are expected to post significant growth.

International Trade. International trade could have negative effects on the economy for 2004. The trade deficit continues to increase. The U.S. also has reason to be concerned about trade retaliation from steel tariffs and export tax breaks. If conflict escalates, the U.S. may face a potential trade war.

Figure 1
U.S. Economic Indicators: 2002-2004



Source: Council of Economic Advisors' Revenue Assumptions Committee

Utah Outlook

Overview

Utah's economy improved only slightly in 2003 due to the lingering effects of the national slowdown, the dot-com investment implosion, and the completion of the 2002 Olympic Winter Games. Utah's 2003 personal income growth of 2.0% was the weakest since 1954 and its two years of consecutive job growth losses were the worst in 57 years.

Not since the end of World War II has Utah experienced back to back years of negative employment growth. This has been a technology driven slowdown. Between January 2001 and June 2003, Utah's high technology sector lost 9,929 jobs. This represents an employment drop of 15.0% from 66,366 jobs down to 56,437 technology jobs. Utah had the 10th largest percentage loss of high technology jobs in the nation from 2001 to 2002 according to a November 2003 survey conducted by the American Electronics Association.

Still, record high defense spending and near record new housing starts helped steady the Utah economy during 2003. Utah experienced its best construction valuation year ever in 2003 due to the lowest mortgage rates in 50 years. This occurred despite poor job growth and modest net in-migration. And, according to the latest Bureau of Labor Statistics data, Utah's economy continued to outperform the nation and registered positive year-over job growth as recently as October and November of 2003.

Summary of Economic Conditions

Back to Back Annual Job Losses. Since the peak year of the current cycle, the rate of job growth fell from 6.2% in 1994 to a negative 0.7% in 2002. Job growth rebounded slightly in 2003 to a negative 0.1%. The last occurrence of back-to-back annual job losses in the state was during the period 1944 to 1946. Utah suffered a net loss of nearly 8,000 jobs in 2002 and another net loss of around 1,000 jobs in 2003.

Most of the job losses in Utah since 2001 have occurred in metropolitan areas along the Wasatch Front. This underscores the view that the current slowdown is technology driven. Nearly 75% of the nation's metropolitan areas are experiencing employment declines.

The dot-com implosion has noticeably impacted Utah. Only about $95 million of venture capital was invested in Utah in 2002 compared to $706 million invested in 2000. Between January 2001 and June 2003, Utah's high technology sector lost 9,929 jobs. This represents an employment drop of 15.0% from 66,366 jobs down to 56,437 high technology jobs.

Computer system design and computer and peripheral equipment manufacturers were the hardest hit losing 5,500 jobs during this period. Medical equipment manufacturers posted modest gains, but the only sector reporting notable gains was engineering services with a gain of 208 jobs. Still, the rate at which high technology jobs are declining appears to be slowing and this sector should rebound with improvement in the general economy.

Return of the Construction Boom. Construction is the most volatile of Utah's major industries. Total construction employment began to contract in 2000 and this overall construction employment decline continued into 2003. This was expected after the completion of projects for the 2002 Olympic Winter Games. Also, total construction valuation declined in 2002 to $3.8 billion from $3.9 billion in 2001.

Although further valuation declines were expected for 2003, the lowest mortgage rates in 50 years produced an unprecedented residential building boom that year. For the first time, residential construction valuation topped $3 billion. And permitted single-family housing units set a near record high of 16,500 units. Only 1977 came in higher at 17,424 units. Consequently, the total value of construction permits set an all-time record of $4.5 billion in 2003.

Large construction projects of at least $30 million that were under construction in 2003 or scheduled for 2004 are listed in a table at the end of this chapter. Construction projects are usually listed in reports at either their "project value" or "construction value." Construction values are the value of "sticks and bricks." Project values include construction values as well as architectural and engineering costs. For the most part, the projects listed in this chapter are project values and include both construction permitted and non permitted projects. Heavy construction, such as highways, does not require permits.

Record Defense Spending. Utah's defense industry continued to rebound in 2003 as heightened geopolitical conflicts, and base closures and realignments in other states shifted jobs and military spending to Utah. Defense spending in Utah hit a record high of $2.47 billion in 2002, an increase of 5% over 2001. Defense expenditures in 2003 should grow another 5% to around $2.6 billion.

In 1999, Hill Air Force Base (HAFB) was selected as the headquarters for one of ten forces used for quick deployment to trouble areas around the world. This brought the 388th fighter wing up to full strength for the first time in a decade. Additionally, HAFB has become the Air Force's new "center of excellence" for low observable technology. HAFB is now the home of Northrop Grumman Corp., the prime contractor for the B-2 stealth bomber.

HAFB is one of three large repair and maintenance air logistic centers in the nation. It is the fifth largest employer in the state with 10,000 to 15,000 civilian jobs. The next round of recommendations for military base closures and realignments is scheduled for May of 2005.

HAFB's new classification and additional workload will help ensure the vitality of the base in the future. On the other hand, as the Air Force moves to the new F-22 fighter the 388th's future may be less assured. Hill maintains the older F-16, which is the fighter used by the 388th unit.

Post Olympics Slowdown in Net In-Migration Only Temporary. The state experienced its 13th straight year of net in-migration in 2003. Population growth slowed in 2002 after the February 2002 Olympic Winter Gamess as many construction employees and other workers helping to host the Games left the state. However, population growth rebounded in 2003. During 2001, net in-migration at 14,200 contributed to 2.2% population growth. During 2002, however, net in-migration fell to 7,400 and population growth slowed to 1.9%. Net in-migration rebounded to 9,900 in 2003 and population growth increased to 2.0%.

Firm Openings and Closings. In order to track trends in Utah employment, state economists follow announcements of job additions and subtractions of 50 or more employees. Utah did not register any employment growth in 2003 using this methodology since job losses almost exactly equaled job gains. These addition and subtraction announcements are listed in a table to this chapter.

Outlook for 2004

Most economic indicators will improve in Utah in 2004. Employment will grow 1.4% (up from -0.1% in the prior year), wages and salaries will grow 3.4% (up from 1.3% in 2003), taxable sales will grow 3.2% (up from 0.8% the prior year), net in-migration will increase to 10,600 (up from 9,900 in 2003), the unemployment rate will fall to 5.4% (down from 5.8% in 2003), and personal income will increase to 4.0% from 2.0% the prior year.

Service producing industries (at 82.8% of total employment) will remain the largest source of new jobs in the state in 2004. While service producing industries will grow 1.5% in 2004, goods producing industries will only grow 0.6% that year. Manufacturing job growth will increase 1.0%; but, mining will decrease 1.5%, and construction industries will be flat at around 0.3% growth in 2004. The fastest growing sector will be information industries at 3.9%, followed by professional and business services with 2.8% growth.

By the end of 2004, Utah should be back on a moderate growth path. Utah will continue to outperform the nation. Utah usually performs better than the nation over the long-run due to strong internal population growth, a young, well-educated workforce, low business costs and a strong work ethic.

Nationwide Reports and Rankings in 2003

USA Today ranked Utah the best-managed state in the nation for the management of state finances. Utah was the only state to receive the newspaper's four-star rating in each of the categories analyzed--spending restraint, bond rating, and tax system. Utah not only ranked highest, but was the only western state to rank above eighth and the only intermountain state in the top 14 nationally.

Utah maintained its position as one of only eight states to receive a AAA bond rating from all of the nationally recognized rating services (Fitch, Moody's, and Standard & Poor's). The rating services recognized the steps Utah has taken to deal with declining revenues. In addition to the state's sound fiscal management, these agencies based their grades on Utah's young well-educated work force, diverse economy and low, albeit gradually increasing, debt burden.

Entrepreneur magazine and Dunn & Bradstreet rated the Salt Lake City and Ogden metropolitan area as the nation's fifth best "city" for people organizing their own businesses. The Salt Lake City/Ogden area rose from 21st in 2002. This higher ranking was based on results in four categories: entrepreneurial activity, which tracks the number of businesses five years old or younger; small business growth, which counts the number of businesses with fewer than 20 employees that still had significant employment growth in the calendar year; job growth, which measures changes in growth for the three years ending January 2003; and risk, which reflects bankruptcy filing rates.

Forbes magazine has ranked the Provo/Orem metropolitan area as the sixth best place in the nation "for business and careers." The annual survey focused on income, job growth, and the cost of doing business (which includes the prices of labor, energy, taxes and office space). The Provo/Orem area ranked sixth in the category of advanced degrees in the *Forbes* survey, 23rd in the crime rate category, and 19th for educational attainment.

Utah received high marks for prospective long-term growth, entrepreneurial energy, and emphasis on education to become one of just eight states on the 2003 Development Report Card for the States' honor roll. The Corporation for Enterprise Development produced this study. Utah earned a B for business vitality and an A for development capacity.

According to an annual study released by the United Health Foundation, Utah is the third healthiest state in the nation. Fewer smokers, many active people and a low violent-crime rate contributed to Utah's high ranking. Utah ranked fourth overall last year and has been in the top ten for the 14 years the study has been conducted.

Utah.gov was named the best state government Web portal in America by the Center for Digital Government (an international research and advisory institute on information technology (IT) in government and education). Utah captured first place in the "state government portal category" based on its innovation, Web-based delivering of government services, efficiency, economy, and functionality for improved citizen access.

Utah ranked tenth in "America's Best Places to Work and Live" published by the *Employment Review*. Criteria used included housing costs, unemployment rate, projected growth, education, heath-care, and recreation.

Park City was named by *Money Magazine* as a "hot spot" for winter vacationing. Airport accessibility, alpine availability, and accommodations affordability all figured prominently in the high ranking.

Utah was ranked as the eighth most generaous state in the nation by the Catalogue for Philanthropy. The rankings were based on the average itemized charitable contributions and the average adjusted gross income for each state.

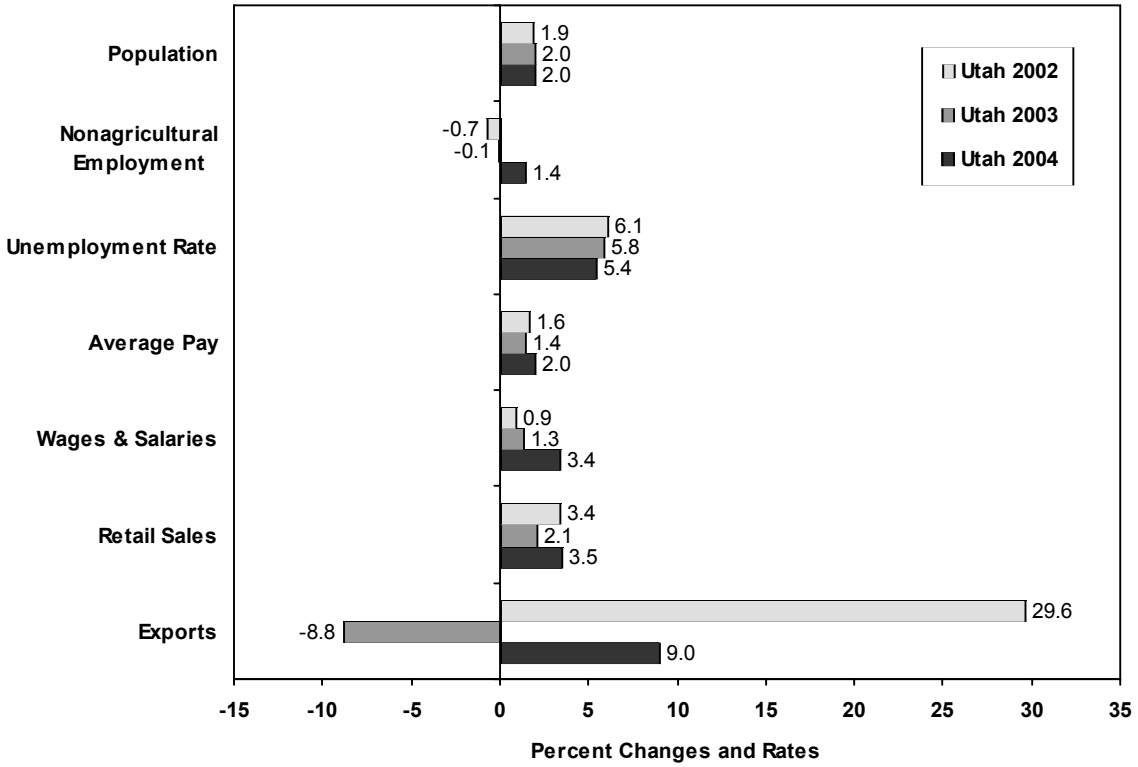
Although Utah ranked fourth in the nation in bankruptcy filings in 2002 (one in 36.7 households sought bankruptcy protection), filings declined 0.5% for the first 11 months of 2003 compared to the same period in 2002. Third quarter mortgage delinquencies and foreclosures also declined in Utah in 2003 compared to the previous year.

Finally, not all rankings were positive for Utah in 2003. Utah had the 10th-largest percentage loss of high technology jobs from 2001 to 2002 among all states, according to a report released in November 2003. This *Cyberstates 2003* survey was conducted by the American Electronic Association (AEA). Only three states (Wyoming, Washington D.C., and Montana) gained high technology jobs from 2001 to 2002.

Utah has the highest rate of people worrying where their next meal will come from, according to the Household Food Security report from the U.S. Department of Agriculture. About 15.2% of Utahns were "food insecure" between 2000 and 2002. The national average was 10.8% of the population and no other state topped 15%. This uneasiness occurred despite Utah's low poverty ranking (38th).

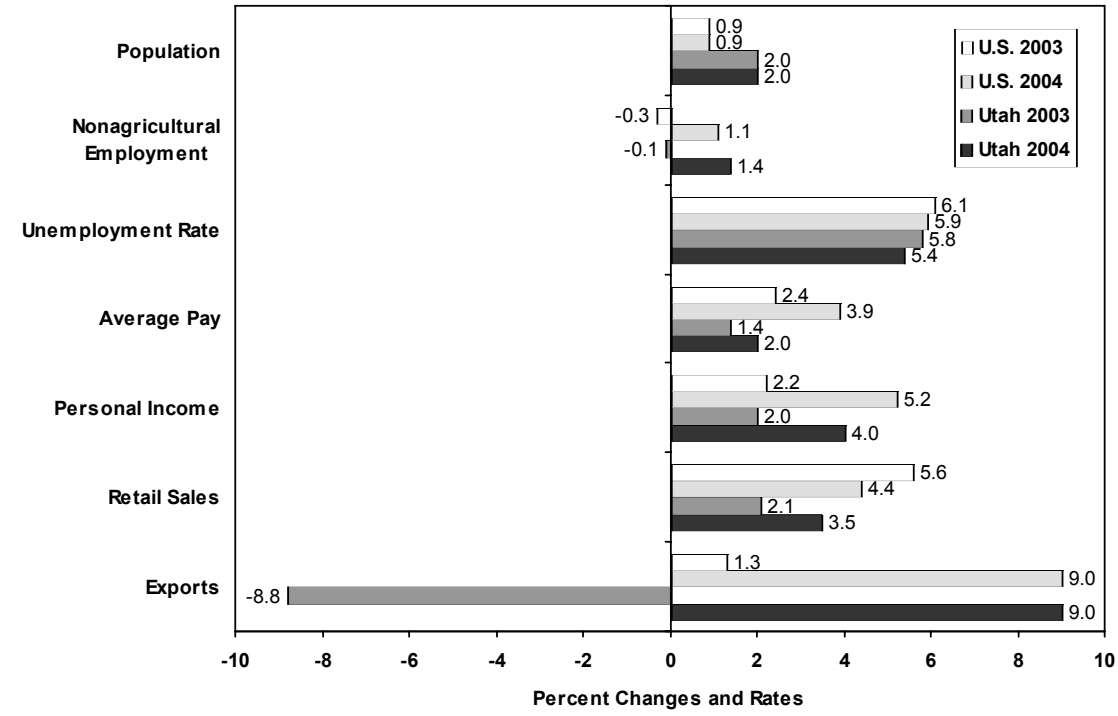
Utah was named the second-highest polluter of toxic chemicals in the nation for 2001. Despite the high ranking, toxic releases declined 19% overall in the state between 2000 and 2001. Companies pumped 958 million pounds of toxic chemicals into Utah's air, land, and water in 2000; emission releases improved to 774 million pounds in 2001.

Figure 2
Utah Economic Indicators: 2002-2004



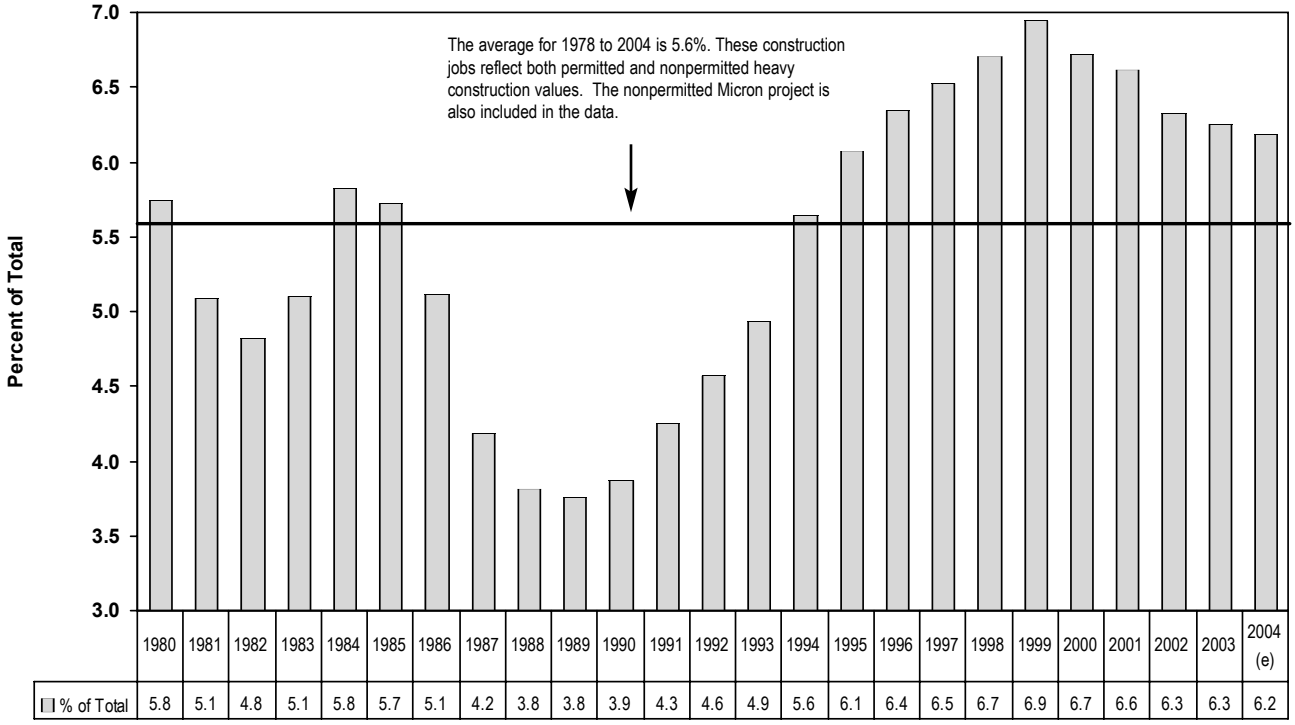
Source: Council of Economic Advisors' Revenue Assumptions Committee

Figure 3
Comparison of Utah and U.S. Economic Indicators: 2003 Estimates and 2004 Forecasts



Source: Council of Economic Advisors' Revenue Assumptions Committee

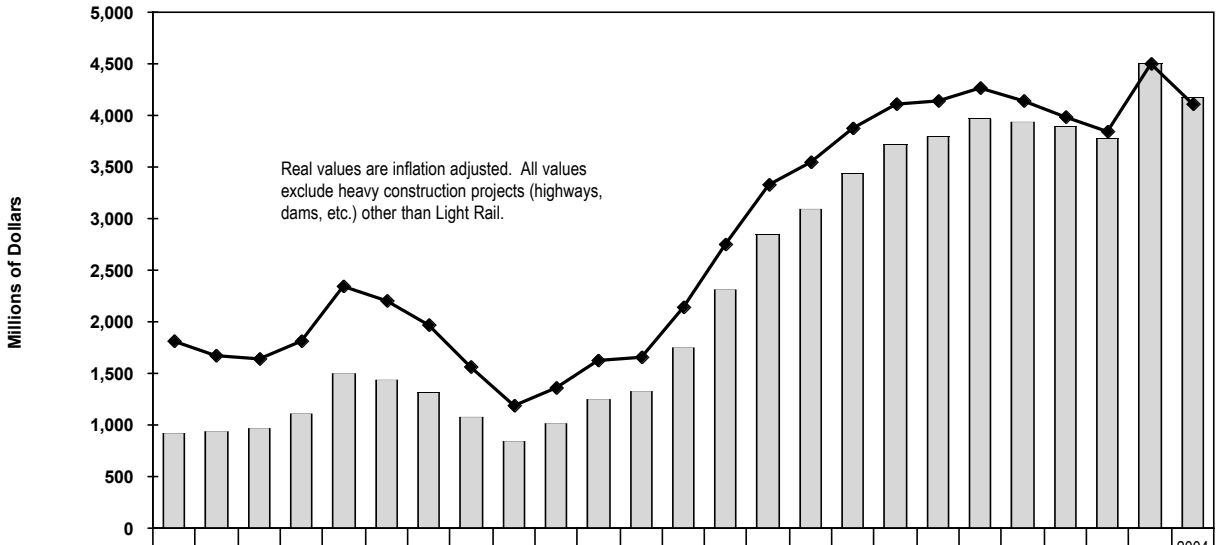
Figure 4
Construction Jobs as a Percent of Total Jobs



	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004 (e)
% of Total	5.8	5.1	4.8	5.1	5.8	5.7	5.1	4.2	3.8	3.8	3.9	4.3	4.6	4.9	5.6	6.1	6.4	6.5	6.7	6.9	6.7	6.6	6.3	6.3	6.2

Sources: Department of Workforce Services and the Governor's Office of Planning and Budget

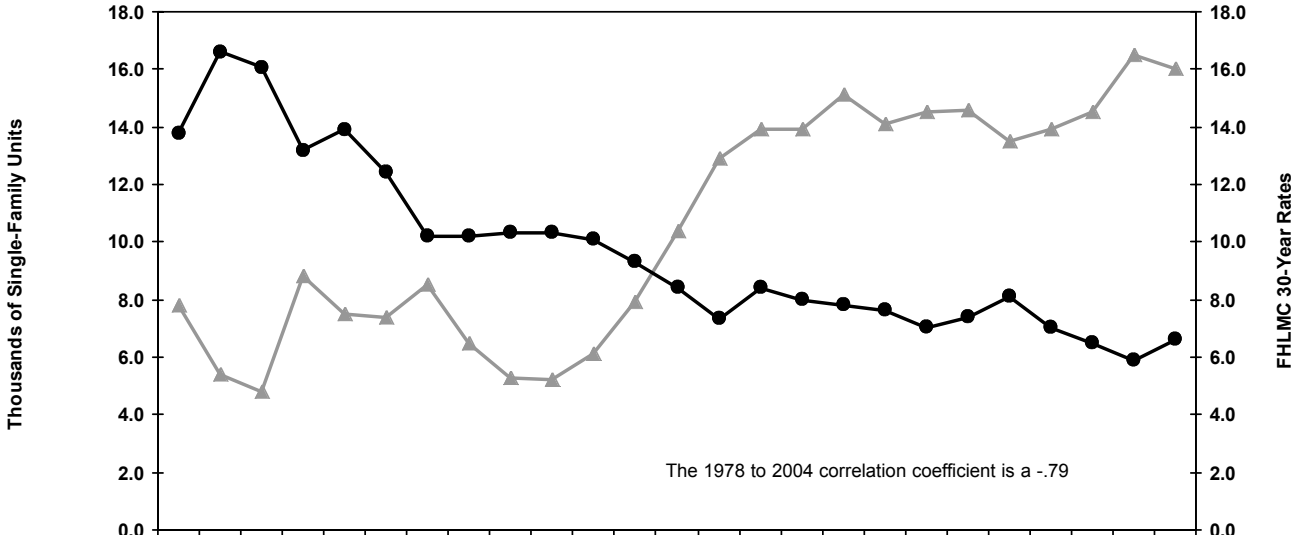
Figure 5
Real and Nominal Total Permitted Construction Values



	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004 (e)
Nominal	922	931	963	1,115	1,495	1,442	1,320	1,075	847	1,009	1,246	1,321	1,745	2,305	2,844	3,096	3,443	3,722	3,798	3,971	3,936	3,886	3,781	4,500	4,170
Real	1,816	1,678	1,634	1,819	2,351	2,198	1,968	1,557	1,186	1,361	1,618	1,655	2,135	2,754	3,329	3,546	3,868	4,102	4,136	4,262	4,137	3,990	3,839	4,500	4,103

Sources: Bureau of Economic and Business Research and the Governor's Office of Planning and Budget

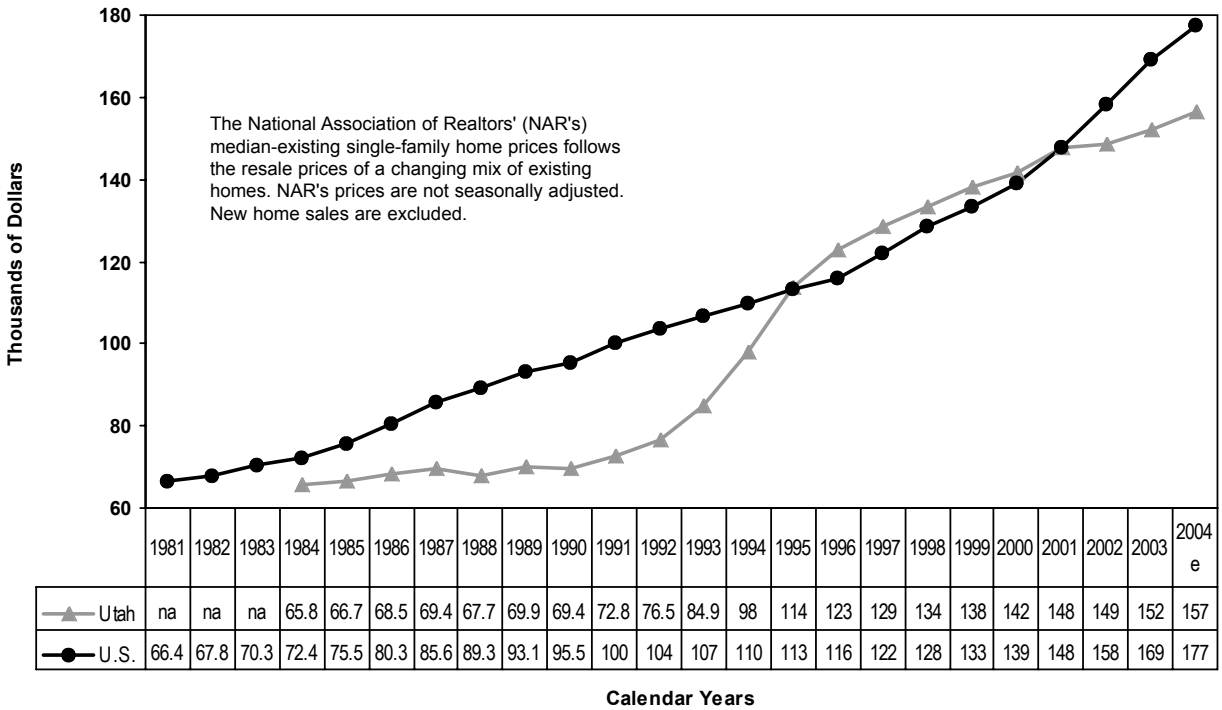
Figure 6
FHLMC 30-Year Fixed Mortgage Rates and Permitted Single-Family Units in Utah



	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004 e
Single	7.8	5.4	4.8	8.8	7.5	7.4	8.5	6.5	5.3	5.2	6.1	7.9	10.4	12.9	13.9	13.9	15.1	14.1	14.5	14.6	13.5	13.9	14.5	16.5	16
FHLMC	13.8	16.6	16.1	13.2	13.9	12.4	10.2	10.2	10.3	10.3	10.1	9.3	8.4	7.3	8.4	8.0	7.8	7.6	7.0	7.4	8.1	7.0	6.5	5.9	6.6

Sources: Bureau of Economic and Business Research and the Governor's Office of Planning and Budget

Figure 7
Median Housing Prices for Sales of Existing Homes



	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004 e
Utah	na	na	na	65.8	66.7	68.5	69.4	67.7	69.9	69.4	72.8	76.5	84.9	98	114	123	129	134	138	142	148	149	152	157
U.S.	66.4	67.8	70.3	72.4	75.5	80.3	85.6	89.3	93.1	95.5	100	104	107	110	113	116	122	128	133	139	148	158	169	177

Source: National Association of Realtors

Table 1
Actual and Estimated Economic Indicators for Utah and the U.S.: November 2003

ECONOMIC INDICATORS	UNITS	2001 ACTUAL	2002 ESTIMATE	2003 FORECAST	2004 FORECAST	% CHG CY01-02	% CHG CY02-03	% CHG CY03-04
PRODUCTION AND SPENDING								
U.S. Real Gross Domestic Product	Billion Chained $96	9,214.5	9,439.9	9,713.7	10,131.3	2.4	2.9	4.3
U.S. Real Personal Consumption	Billion Chained $96	6,377.2	6,576.0	6,779.9	7,030.7	3.1	3.1	3.7
U.S. Real Fixed Investment	Billion Chained $96	1,627.4	1,577.3	1,643.5	1,743.8	-3.1	4.2	6.1
U.S. Real Defense Spending	Billion Chained $96	366.0	400.0	440.8	465.5	9.3	10.2	5.6
U.S. Real Exports	Billion Chained $96	1,076.1	1,058.8	1,072.6	1,169.1	-1.6	1.3	9.0
Utah Exports (NAICS, Census)	Million Dollars	3,506.0	4,542.4	4,141.6	4,514.3	29.6	-8.8	9.0
Utah Coal Production	Million Tons	27.0	25.3	23.6	23.4	-6.4	-6.7	-1.0
Utah Oil Production Sales	Million Barrels	15.3	13.8	13.0	12.2	-9.8	-5.8	-6.2
Utah Natural Gas Production Sales	Billion Cubic Feet	247.1	247.5	245.2	247.7	0.2	-0.9	1.0
Utah Copper Mined Production	Million Pounds	689.4	573.6	617.9	630.0	-16.8	7.7	2.0
SALES AND CONSTRUCTION								
U.S. New Auto and Truck Sales	Millions	17.1	16.8	16.6	17.0	-1.9	-1.3	2.8
U.S. Housing Starts	Millions	1.60	1.71	1.79	1.72	6.9	4.7	-3.9
U.S. Residential Investment	Billion Dollars	444.8	471.9	529.9	538.4	6.1	12.3	1.6
U.S. Nonresidential Structures	Billion Dollars	324.5	269.3	256.6	270.5	-17.0	-4.7	5.4
U.S. Repeat-Sales House Price Index	1980Q1=100	258.3	276.8	294.5	308.9	7.2	6.4	4.9
U.S. Existing S.F. Home Prices (NAR)	Thousand Dollars	147.8	158.3	169.1	177.3	7.1	6.8	4.9
U.S. Retail Sales	Billion Dollars	3,471.8	3,578.2	3,777.6	3,944.1	3.1	5.6	4.4
Utah New Auto and Truck Sales	Thousands	83.6	92.1	89.7	92.4	10.2	-2.6	3.0
Utah Dwelling Unit Permits	Thousands	19.7	19.9	22.6	21.8	1.4	13.3	-3.5
Utah Residential Permit Value	Million Dollars	2,352.7	2,491.0	3,000.0	2,920.0	5.9	20.4	-2.7
Utah Nonresidential Permit Value	Million Dollars	970.0	897.0	1,000.0	800.0	-7.5	11.5	-20.0
Utah Additions, Alterations and Repairs	Million Dollars	562.8	393.0	500.0	450.0	-30.2	27.2	-10.0
Utah Repeat-Sales House Price Index	1980Q1=100	250.3	254.4	260.3	267.5	1.6	2.3	2.8
Utah Existing S.F. Home Prices (NAR)	Thousand Dollars	147.6	148.8	152.2	156.5	0.8	2.3	2.8
Utah Taxable Retail Sales	Million Dollars	17,748	18,356	18,738	19,400	3.4	2.1	3.5
DEMOGRAPHICS AND SENTIMENT								
U.S. July 1st Population (BEA, Census)	Millions	285.3	288.4	291.0	293.6	1.1	0.9	0.9
U.S. Consumer Sentiment of U.S. (UofM)	1966=100	89.2	89.6	87.3	92.4	0.4	-2.6	5.8
Utah July 1st Population (UPEC)	Thousands	2,296	2,339	2,385	2,433	1.9	2.0	2.0
Utah Net Migration (UPEC)	Thousands	14.2	7.4	9.9	10.6	na	na	na
Utah July 1st Population (Census)	Thousands	2,279	2,316	2,362	2,409	1.6	2.0	2.0
PROFITS AND RESOURCE PRICES								
U.S. Corporate Before Tax Profits	Billion Dollars	670.2	665.2	770.0	869.6	-0.7	15.8	12.9
U.S. Before Tax Profits Less Fed. Res.	Billion Dollars	642.3	642.3	749.7	850.5	0.0	16.7	13.4
U.S. Oil Refinery Acquisition Cost	$ Per Barrel	23.0	24.0	28.3	22.4	4.3	17.9	-20.8
U.S. Coal Price Index	1982=100	96.3	99.8	98.1	96.5	3.6	-1.7	-1.6
Utah Coal Prices	$ Per Short Ton	17.8	18.5	18.9	18.7	4.0	2.1	-1.0
Utah Oil Prices	$ Per Barrel	24.1	23.9	29.2	28.6	-0.9	22.2	-2.0
Utah Natural Gas Prices	$ Per MCF	3.52	2.30	4.10	4.14	-34.7	78.3	1.0
Utah Copper Prices	$ Per Pound	0.72	0.71	0.82	0.94	-1.4	15.1	15.0
INFLATION AND INTEREST RATES								
U.S. CPI Urban Consumers (BLS)	1982-84=100	177.1	179.9	184.0	186.5	1.6	2.3	1.4
U.S. GDP Chained Price Indexes	1996=100	109.4	110.7	112.4	114.2	1.2	1.5	1.6
U.S. Federal Funds Rate	Percent	3.89	1.67	1.13	1.07	na	na	na
U.S. 3-Month Treasury Bills	Percent	3.43	1.61	1.02	1.03	na	na	na
U.S. T-Bond Rate, 10-Year	Percent	5.02	4.61	4.04	4.83	na	na	na
30 Year Mortgage Rate (FHLMC)	Percent	6.97	6.54	5.89	6.56	na	na	na
EMPLOYMENT AND WAGES								
U.S. Establishment Employment (BLS)	Millions	131.8	130.4	130.0	131.5	-1.1	-0.3	1.1
U.S. Average Annual Pay (BLS)	Dollars	36,214	36,947	37,830	39,311	2.0	2.4	3.9
U.S. Total Wages & Salaries (BLS)	Billion Dollars	4,774	4,817	4,918	5,169	0.9	2.1	5.1
Utah Nonagricultural Employment (WS)	Thousands	1,081.7	1,073.7	1,072.8	1,087.7	-0.7	-0.1	1.4
Utah Average Annual Pay (WS)	Dollars	29,639	30,112	30,537	31,157	1.6	1.4	2.0
Utah Total Nonagriculture Wages (WS)	Million Dollars	32,060	32,333	32,760	33,890	0.9	1.3	3.4
INCOME AND UNEMPLOYMENT								
U.S. Personal Income (BEA)	Billion Dollars	8,677	8,891	9,087	9,559	2.5	2.2	5.2
U.S. Unemployment Rate (BLS)	Percent	4.8	5.8	6.1	5.9	na	na	na
Utah Personal Income (BEA)	Million Dollars	54,764	55,953	57,072	59,363	2.2	2.0	4.0
Utah Unemployment Rate (WS)	Percent	4.4	6.1	5.8	5.4	na	na	na

Source: Council of Economic Advisors' Revenue Assumptions Committee.

Table 2
2003 and 2004 Large Construction and Employment Summary

2003 Announced Additions of 100 or more jobs:
Alorica Inc - call center
Alpine Access - home-based telemarketing
Bomatic Inc - plastic containers
Delta Air Lines - reservation sales
Dixie Regional Medical Center - hospital
Kelly Williams Success Realty - real estate brokerage
JetBlue - airline reservations
Joe's Crabshack - restaurant
Lozier Corp. - metal retail store fixtures manufacturing
Malt-O-Meal - cereal production
MedQuist - medical transcription
Merit Medical - disposable medical products
Practice Rx - medical billing
Qwest - DSL customer calls
Sears Grand - off-mall store
Ship To Order - catalog fulfillment needs
SkyWest - pilots and mechanics
USCO Logistics - distribution center
Wal-Mart - retail centers
Western Research - opinion research
Wild Oats Market - health foods

2003 Announced Subtractions of 100 or more jobs:
Boeing - airline manufacturing and management
Canyon Fuel Co's Skyline Mine - coal mining
Convergys - telemarketing
Daw Technologies Inc. - clean rooms for chips
Delta Air Lines - airline (nonreservation jobs)
Eimco Process Equipment - wastewater treatment
Euro RSCG Tatham Partners - advertising agency
Fleming Cos. - grocery distributor
Hill Air Force Base - civilian defense
Iomega - Zip data storage
Kennecott - copper mining
Knaack Manufacturing Company - pickup storage chests
Kmart - retail
LDS Church - religion
Levolor-Kirsch - window coverings
Novell - software
Parker Aerospace - mfg. hydraulic systems for aircraft
Southwest Airlines - reservation center
Symantec Corp - virus protection and backup programs
Touched by an Angel - television show
Transportation Security Administration - airport screeners
Utah Power - electric power

Source: Governor's Office of Plannning and Budget

$30 Million Plus Projects in 2003 Began Before 2003:
Deer Valley Inn - $150m
Diamond Fork CUP - $50m
Diamond Fork tunnel - $56m
Dixie Regional Medical Center - $100m
Fresenius Medical Care facility - $65m
Huntsman Cancer Institute Research Hospital - $100m
Jordan Landing (mixed use) - $500m
Joseph F. Smith Building at BYU - $70m
Kern River gas pipeline - $526m
Murray High School - $30m
NorthShore Corporate Center - $100m
One Airport Center - $100m
Pleasant Grove Town Center - $200m
Redstone Town Center - $30m
RiverPark Corporate Center - $300m
Salt Lake City Library - $84m
SLCC 90th South Campus - $143m
State Capitol office buildings - $50m
Thanksgiving Point retail center - $105m
Traverse Mountain (at Fox Ridge) - $2b
University Hospital Trax Line - $89m
Valley View Medical Center - $30m
Williams' petroleum pipeline - $200m

$30 Million Plus Projects in 2003 Began in 2003:
Airport Expansion - $1b
Big Sand Wash Reservoir - $40m
Chandler Point town houses - $28m
Daybreak by Kennecott - $1b
Emma Eccles Jones Medical Sciences Building - $46m
IHC "Healing Place" Murray Hospital - $362.5m
Liberty Hill rental townhomes - $24m
Midtown Village in Orem - $50m
Moss Federal Courthouse annex - $115m
Ogden City Downtown Redevelopment - $150m
Payson gas fired power plant - $100m
Renaissance Towne Centre - $100m
Sandwash Reservoir - $50m
Tesoro Natural Gas Power Plant - $25m
The Village at Rivers Edge - $20m
U of U Health Sciences Building - $33m
Union Pacific Maintenance Facility - $150m
USU Merrill Library - $40m
Wal-Mart Distribution Center - $55m

$30 Million Plus Projects in 2004 to Begin in 2004:
Capitol renovation - $170m
Commuter Rail - $450m ($100m for cars)
Currant Creek Gas Power Plant - $350m
IHC Summit County Hospital - $30m
LDS Downtown Rejuvenation - $500m?
Moran Eye Center - $53m
Quilt Crossing - $210m
Salt Lake Regional Medical Center - $36m
St. George Regional Airport - $92m

Utah's Long-Term Projections

Overview

Utah's population reached 2.23 million in 2000 and is expected to reach 3.77 million by the year 2030. The growth rate, which exceeds the rate of growth for the nation, will be sustained by a rapid rate of natural increase and a strong and diversified economy.

State Level Results

The 2002 Baseline demographic and economic projections were produced by the Demographic and Economic Analysis section of the Governor's Office of Planning and Budget (GOPB), in association with numerous state and local representatives. While the primary goal of this round of updates was to incorporate data from the 2000 Census, analysts also used the opportunity for revising the projections to include the latest economic indicators as a part of the update process.

Population. Utah's population, which was 1.73 million in 1990, reached 2.23 million in 2000, and is projected to achieve 2.79 million in 2010, 3.37 million in 2020, and 3.77 million in 2030. Although the projected average annual growth rate decelerates from 2.4% per year in the 1990s to 1.1% per year in the 2020s, these growth rates are more than twice the projected rates for the nation as a whole.

Natural Increase. Natural increase, which is the amount by which annual births exceed annual deaths, will fuel 81% of Utah's population growth over the next thirty years. The number of births per year is projected to average 51,900 in the 2000s, 59,000 in the 2010s, and 63,100 in the 2020s. This compares to projected annual average deaths of 13,800 in the 2000s, 16,700 in the 2010s, and 20,800 in the 2020s.

Migration. Net migration is gross in-migration less gross out-migration. Positive net in-migration occurs when more people move into an area than move out of an area for a given period of time. Net in-migration is projected to occur in the State of Utah over the next three decades. Approximately 294,400 of the 1.5 million population increase over the thirty-year projection period can be attributed to net in-migration, meaning in-migration accounts for about 20% of the projected increase. Net in-migration occurs when 1) there is enough job creation to accommodate residents who are new entrants to the labor force, and 2) there is additional job creation, such that in-migration is necessary to satisfy labor demand within the state. The sustained net in-migration is projected because job creation is also projected to be relatively rapid over the next three decades.

Age Structure and Fertility. A significant amount of attention has been paid to the trends of the growing school-age population (ages 5 to 17) in Utah. The growth spurt in this age group is a consequence of the fact that the grandchildren of the baby boomers are now entering the school-age years. The State of Utah is projecting an increase of over 150,000 people in the school-age population over the next decade. It is important to note that this increase is not mainly fertility-driven or migration-driven. Rather, it is primarily due to the fact that a significantly large number of women are presently in their childbearing years. Utah's population is relatively young when compared to the nation. Consequently, a greater proportion of the state's females are in their childbearing years than the U.S. Therefore, even if Utah's fertility rate (children per woman) was equal to that of the nation, more children would be born in Utah relative to the size of the population.

In addition to the young population, Utah's women have higher fertility rates, ranking the state first among states nationwide. For the projection period, Utah's fertility rate is projected to remain fairly constant at 2.6 children per woman of childbearing age. National projections have the fertility rate increasing from 2.1 during the next two decades to 2.2 in the last decade of the projection period. Further contributing to the rapid rate of natural increase is the fact that Utahns tend to have longer life expectancies (mortality rates at any given age are lower) compared to the nation.

The median age is the age that divides the age distribution of a given population into two equal groups--one that is younger than the median and one that is older than the median. Utah's median age is projected to increase from 27 years in 2000 to 32 years by the year 2030. Over the same period, the U.S. median age is projected to increase from 36 to 39. The increasing median ages in both cases are largely the result of the aging of the baby boomers over time. The difference in median ages reflects the cumulative effect of Utah's higher fertility rate and the interaction of this high fertility rate with the younger population profile of the state. As Utah women in childbearing years continue to have more children on average than women nationally, the younger age groups continue to be relatively larger as a portion of the population than is the case for the U.S. as a whole.

Dependency Ratio. One summary measure of a population's age structure is the dependency ratio. This ratio is defined as the number of non-working age persons (younger than 18, and 65 years and over) divided by the number of working age persons (ages 18 through 64). Historically, Utah's dependency ratio has been significantly higher than that of the nation. This has occurred because the preschool and school-age portions of Utah's population have been substantial, relative to its total population. In 1970, Utah's dependency ratio was 90 while the nation's was 79. In 2000, the dependency ratio for the state fell to 69 while the nation's fell to 63. In both cases, this decline occurred primarily because the baby boomers reached working age.

Utah's age structure is projected to continue to be characterized by a relatively high dependency ratio. However, the state's dependency ratio is projected to drop below that of the nation beginning in 2025, and continue throughout the remainder of the projections period. However, this anomaly is not expected to last more than a few years. The projected dependency ratio for Utah in 2030 is 74, while that of the nation is 78. The trend of converging, then crossing, dependency ratios is primarily because the working age proportion of Utah's population is projected to increase while that of the nation is projected to decline. The aging of the baby boomers affects the age structure of both Utah and the U.S. However, the aging and retirement of the baby boomers will have a larger effect on the national dependency ratio because the younger age groups in Utah's population will increase more rapidly than those of the nation throughout the entire period.

Employment. Utah's nonfarm payroll employment is projected to increase from 1,075,100 in 2000 to 1,798,600 in 2030. This is an increase of 723,500 jobs over the projections period. The State of Utah's average annual growth rate for the projections period is 1.7%, while the corresponding growth rates for the U.S. are projected to be about half that of Utah. The economies of the western states have suffered along with the national economy. Utah's historically strong job

growth has succumbed to negative pressures recently, and while the degree of job losses in 2003 was not as bad as in 2002, the state has not yet experienced a rebound in employment activity. However, because of Utah's history of strong economic and employment growth, it is expected that over the long term the state's economy will recover from the current negative conditions and expand more rapidly than that of the nation throughout the projections period.

Over the next three decades, employment growth is projected for every major industry except agriculture and mining in Utah. Further, average annual growth in every industry except mining is projected to be higher than for those same industries at the national level. National projections indicate that two of the 10 major industries will experience net declines in employment levels. The two industries are mining and agriculture. Of the ten major industries, construction is projected to have the highest average annual growth rate in the State of Utah over the next three decades. The projected average annual rate of change for 1990 through 2030 for Utah's construction sector is 3.4%. Other major industries in Utah that are projected to have strong employment growth (in excess of 2.0% per year on average) for the 1990 to 2030 period are services, FIRE, nonfarm proprietors, trade, and TCPU. Utah's slow growth industries are projected to be manufacturing and government.

Services, nonfarm proprietors, and trade are currently the three largest industries (in terms of employment) in Utah. The number of service jobs in Utah is expected to more than double, increasing from 315,400 in 2000 to 643,200 in 2030, an increase of 327,800 jobs. The number of nonfarm proprietor jobs and new trade sector jobs are projected to increase significantly over the projections period as well. These three industries combined are projected to create 71% of the employment growth in the State of Utah over the next three decades.

Diversification. The State of Utah is becoming more economically diverse, and hence more like the economic structure of the United States, as measured by the Hachman Index. There are specific counties that are very different from the U.S., and this is not necessarily bad. For example, if the mining industry moved out of Carbon County, the economic structure of Carbon County would score higher on the Hachman Index, meaning it would now be more representative of the economic base of the nation. However, the economy of Carbon County would not be better off. Although the direction of shifts in composition of employment by industry are projected to be similar for Utah and the U.S., the projected 2000 and 2030 distributions of employment by industry are different for Utah and the U.S. In 2001, the most significant differences between the industrial composition of Utah and the U.S. were the large concentration of employment in the mining sector, as well as the somewhat large employment concentration in the construction and nonfarm proprietors sectors. The concentration of employment in the TCPU and government sectors was slightly higher in Utah when compared to the nation. The composition of Utah's trade sector was exactly the same as the nation in 2001. Utah's other four major industries had slightly smaller proportions of the overall employment than their national counterparts (i.e., FIRE, services, manufacturing, and agriculture).

The most significant differences between the employment shares for the projected industrial composition in 2030 of Utah and the U.S. are the relatively larger concentration of Utah's employment in the construction and nonfarm proprietors sectors, and the relatively smaller share of Utah's employment in agriculture and manufacturing. Utah is also projected to have a slightly larger share of employment in government and TCPU, and a slightly smaller share of employment in services, mining, trade, and FIRE when compared to the nation. This is the combined result of the differential shifts in industrial composition between Utah and the U.S. in the projections period, and the initial differences in the composition of employment between the two.

County Level Population and Employment Projections

Population. About 1.1 million (or 73%) of the 1.5 million population increase projected for the state between 2000 and 2030 will be concentrated in the counties of Salt Lake, Utah, Davis, and Weber. This is slightly less than the 76% share of the state's population in these counties in 2000. Therefore, the projected share of the state's population in these four counties in 2030 will decline slightly to 75%.

The counties with the highest projected average annual rates of growth over the 1990 to 2030 period are Washington (3.0%), Tooele (2.9%), Summit (2.8%), Kane (2.8%), Wasatch (2.7%), Wayne (2.3%), Juab (2.1%), and Utah (2.0%). These growth rates are all in excess of the state's average annual rate of growth of 1.7% for the 1990 to 2030 period. Thus, these counties will gain in terms of their shares of the state's total population.

Employment. Of the 723,400 net nonagricultural employment creation projected for the state from 2000 to 2030, 551,700 jobs (76%) are expected to be within Salt Lake, Utah, Davis, and Weber counties. Among these, Utah and Weber counties are projected to have average annual growth rates of employment in excess of that of the state as a whole.

The counties with the most rapid rates of projected employment growth are also those counties with rapid rates of projected population growth. Rapid employment growth makes it possible for a region to support more people. Population growth reinforces economic expansion as well. The counties with the most rapid rates of projected employment growth from 2000 to 2030 are Washington (3.2%), Kane (3.2%), Wasatch (2.6%), Tooele (2.3%), Summit (2.3%) and Juab (2.2%).

Methods and Assumptions

Models. The 2002 long-term projections were produced using the UPED Model System. The UPED Model is a combination of a three-component cohort population model and an economic base employment model. It produces projections of population, components of population change (births, deaths and migration), households, labor force, and employment at the Multi-County District (MCD), or regional level. The UCAPE and CASA Models allocate the UPED population, components of population change and employment to counties. County or MCD values are aggregated to yield the projection for the State of Utah.

Fertility. MCD-specific birth probabilities by age of mother are assumed to remain constant at their estimated 2001 levels to 2030. County mean differences in total fertility rates, 1990-2001, within MCDs are preserved. The resulting total fertility rates (central birth rates) for MCDs are: 2.41 for Bear River, 2.47 for Wasatch Front, 2.90 for Mountainland, 2.80 for Central, 2.63 for Southwest, 2.73 for Uintah Basin, and 2.22 for Southeast, yielding 2.51 for the state.

Survival. State-level survival rates by age and sex are assumed for all MCDs. Survival rates are assumed to increase along with projected U.S. survival rates to 2030. This assumption yields an increase in life

expectancy of 4.1 years, from 74.9 years in 1990 to 79.0 years in 2030, for males. For females the similar increase is 3.1 years, from 80.4 in 1990 to 83.5 in 2030.

Labor Force Participation. MCD-specific labor force participation rates are assumed to trend with projected U.S. rates to 2020, except where U.S. rates are projected to fall. In effect, this assumes little or no change in Utah male participation rates and increases in middle and older age female rates. After 2020, labor force participation rates are assumed to remain constant at their 2020 levels.

Multi-Job Holding Rates. MCD-specific multi-job holding rates are assumed to revert to their 1990-2001 mean over the interval 2001 to 2006.

Employment Growth Assumptions. For the long-term, 2000 to 2030, basic employment growth was based on a demographic assumption, but was consistent with a conservative mid-range growth assumption based upon alternative growth analysis. Growth in export employment is assumed sufficient to generate cumulative net in-migration equal to 19% of total population change and to generate cumulative natural increase (births minus deaths) equal to 81% of total population change over the interval 2000 to 2030. These percents correspond to those of the last three decades.

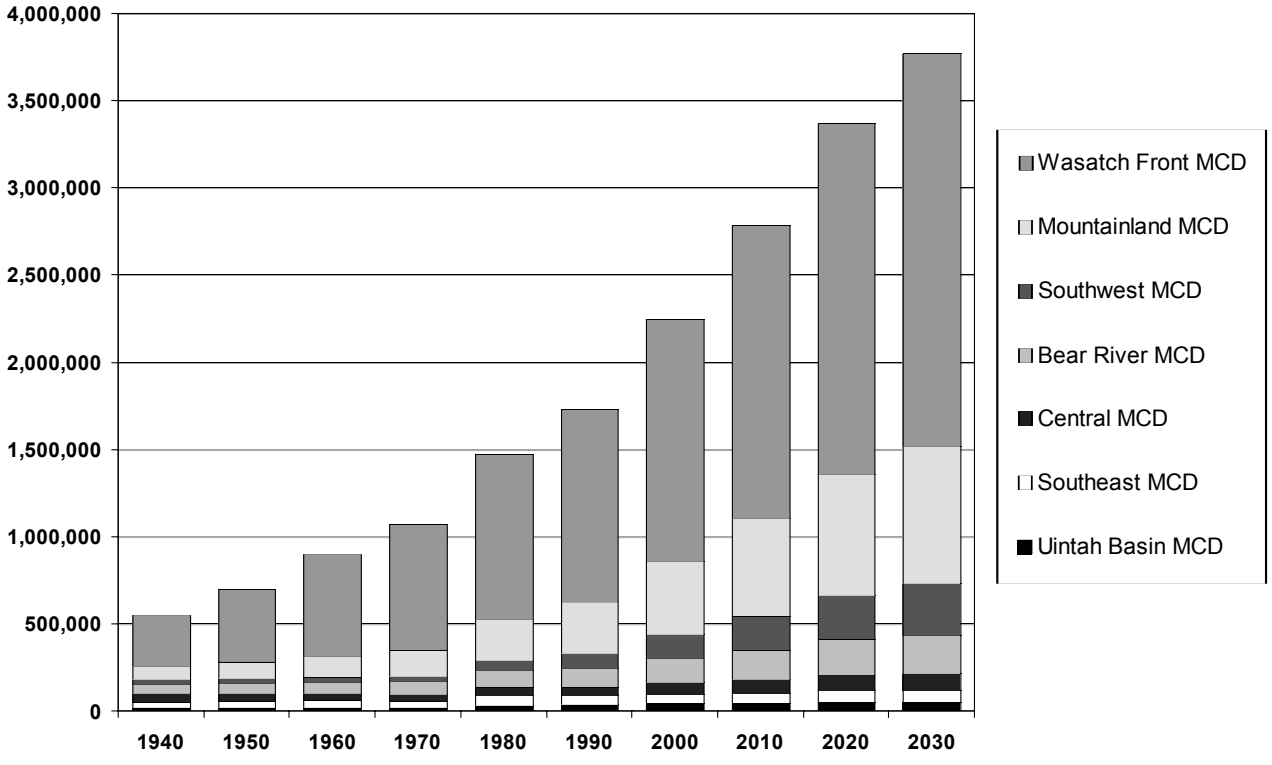
The Department of Natural Resources provided employment forecasts by county for coal mining and oil and gas extraction which were included.

Specific Assumptions. Additional assumptions include:

- Davis County reaches build-out at 400,000 persons
- Construction employment reverts to its historical share of total employment in 2009
- Agricultural jobs trend with the U.S.
- Federal Defense employment remains relatively constant after 2001
- Geneva's closing is included

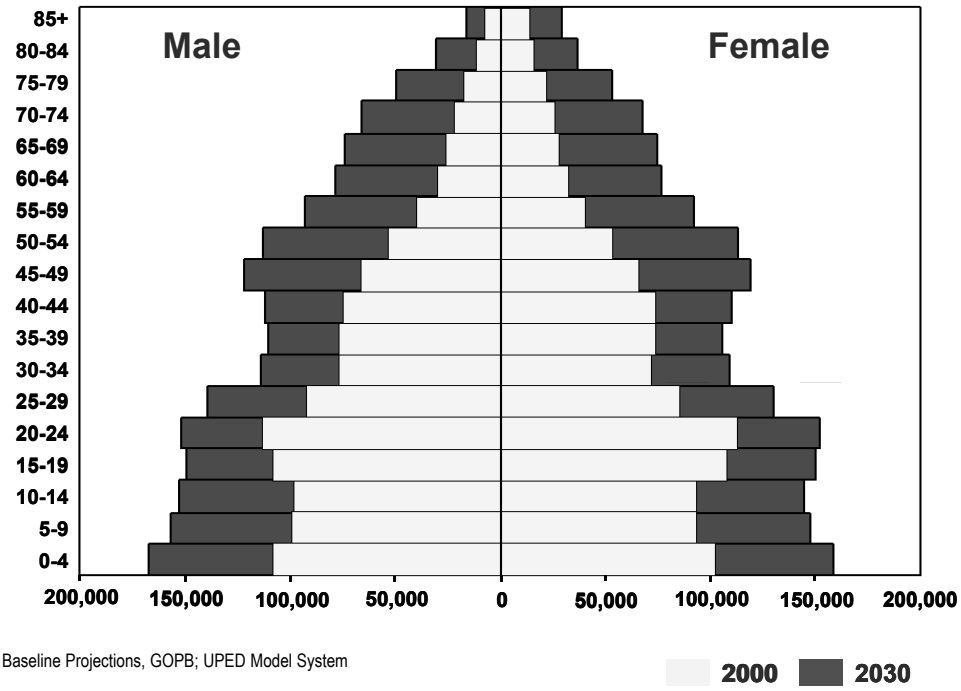
Additional Information. For additional information on historical as well as projected economic and demographic data, including methods, procedures, and assumptions, visit the web site: http://governor.utah.gov/dea/People.html.

Figure 8
Population Estimates and Projections by MCD: 1940-2030



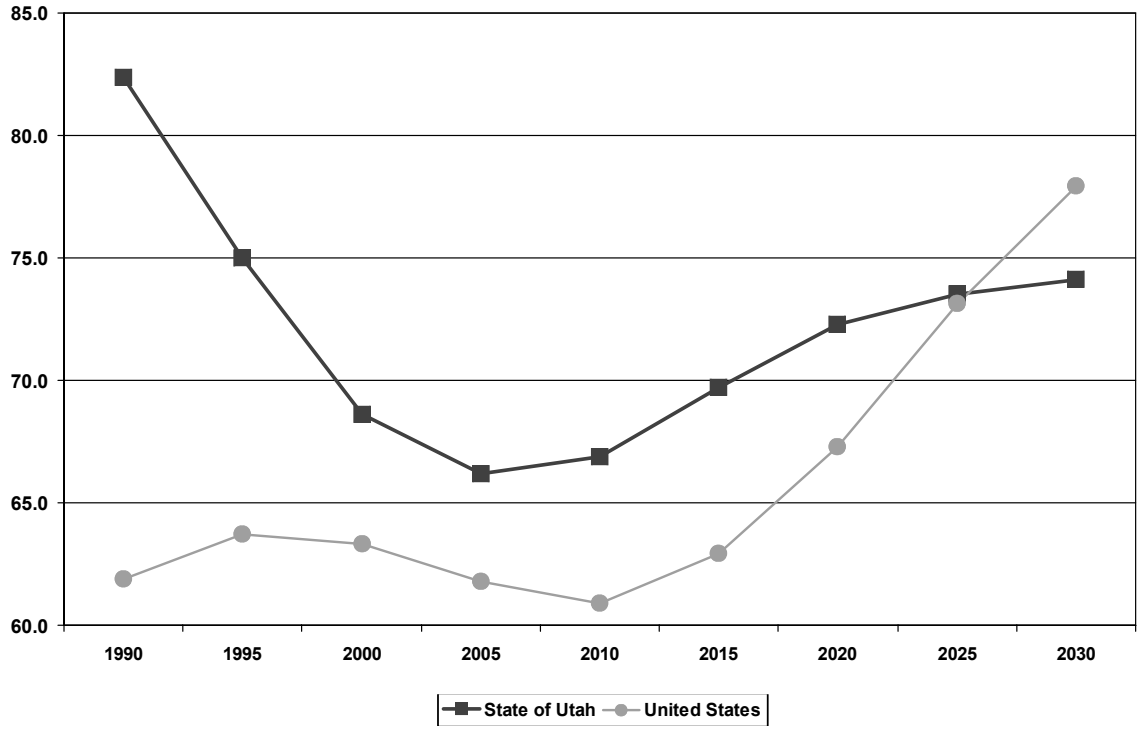
Source: 2002 Baseline Projections, GOPB; UPED Model System

Figure 9
Utah's Changing Age Structure



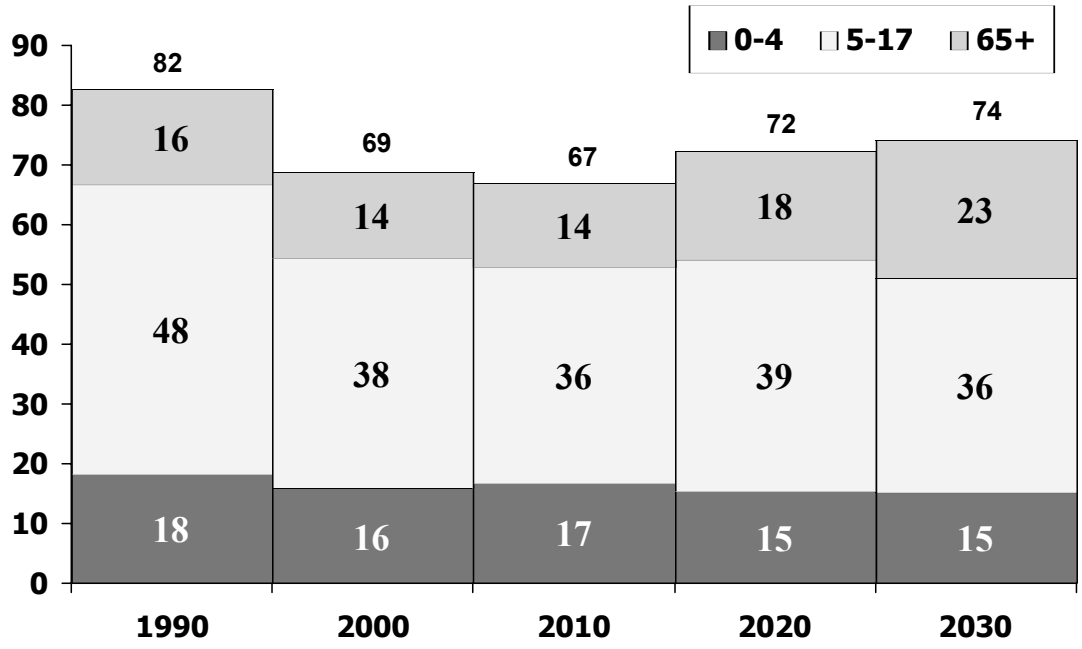
Source: 2002 Baseline Projections, GOPB; UPED Model System

Figure 10
Historical and Projected Dependency Ratios for Utah and the U.S.



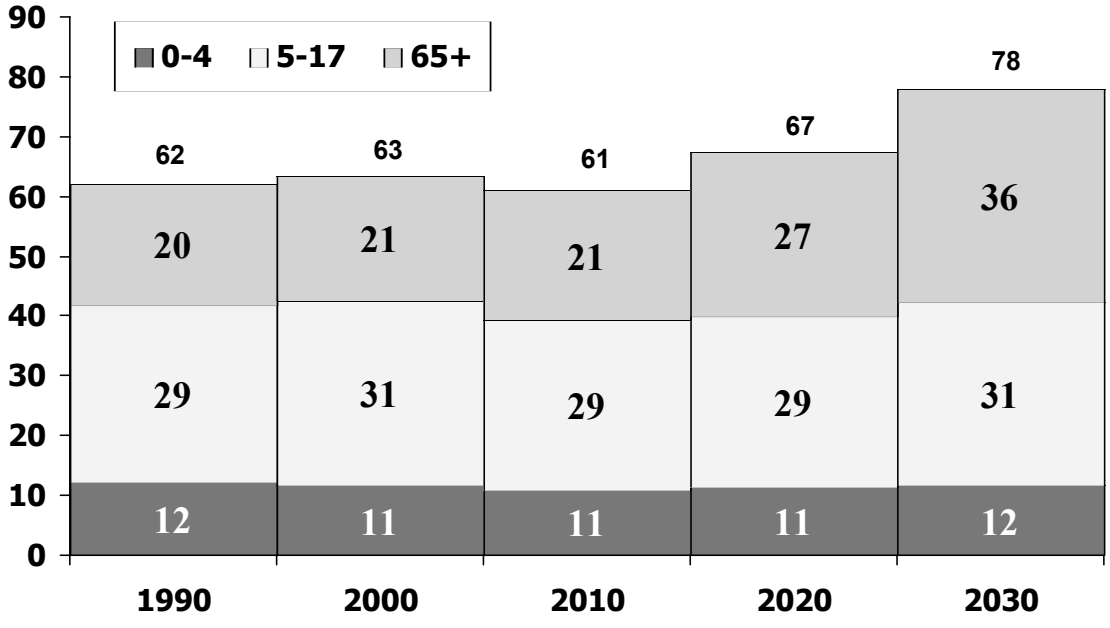
Source: 2002 Baseline Projections, GOPB; UPED Model System

Figure 11
Utah Dependency Ratios: 1990 to 2030



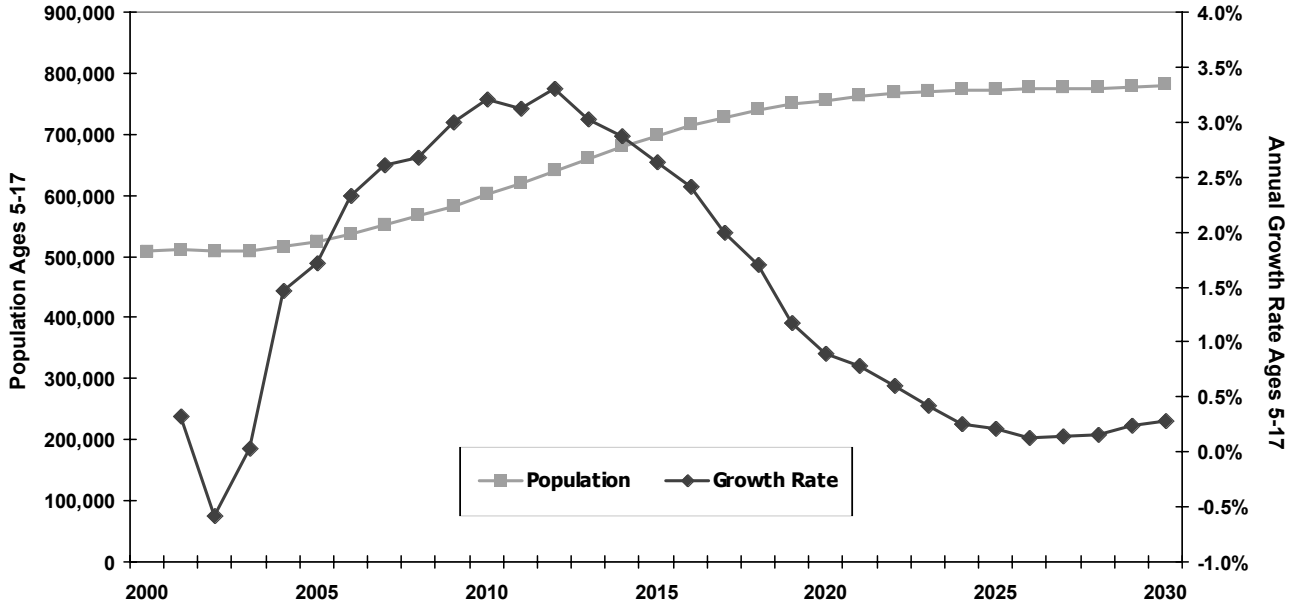
Source: 2002 Baseline Projections, GOPB; UPED Model System

Figure 12
U.S. Dependency Ratios: 1990 to 2030



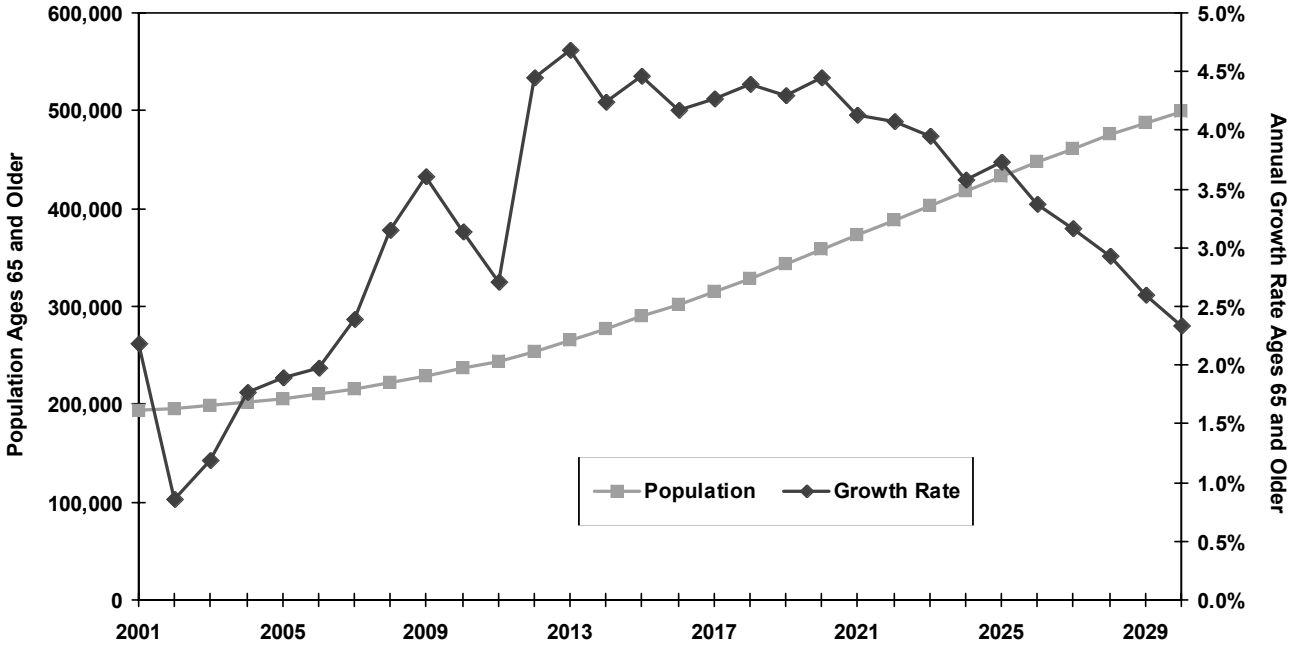
Source: 2002 Baseline Projections, GOPB; UPED Model System

Figure 13
Projected School-Age Population



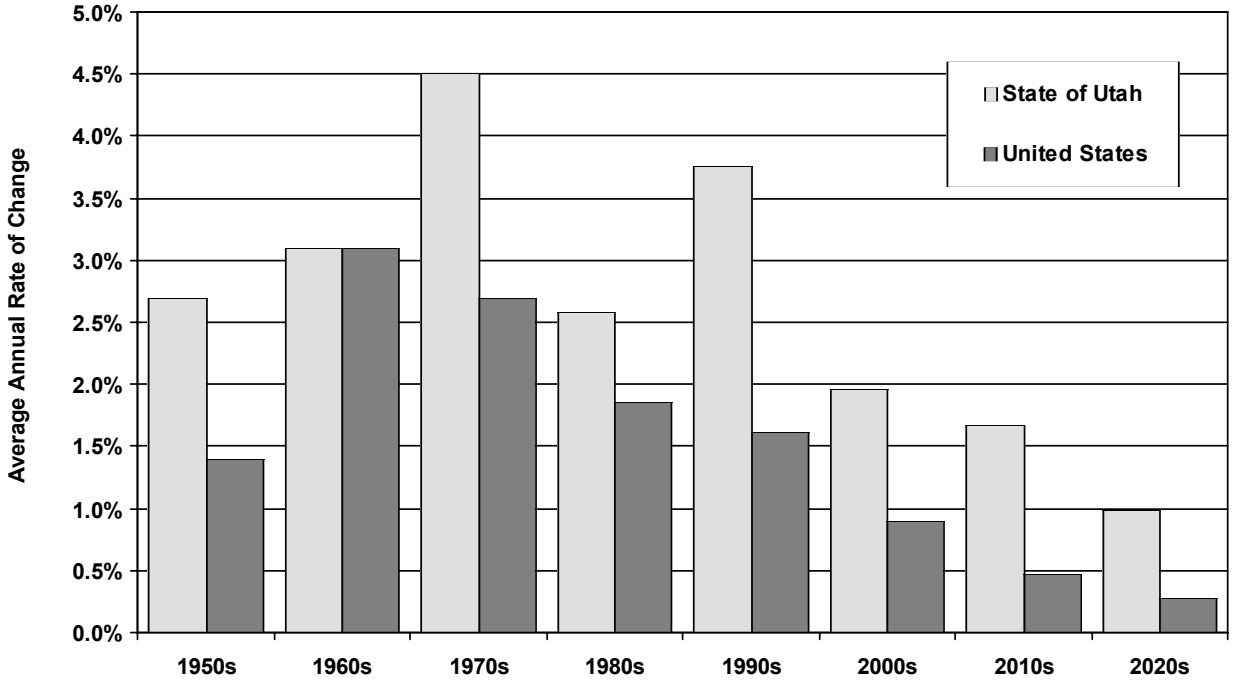
Source: 2002 Baseline Projections, GOPB; UPED Model System

Figure 14
Growth of 65 and Older Age Group



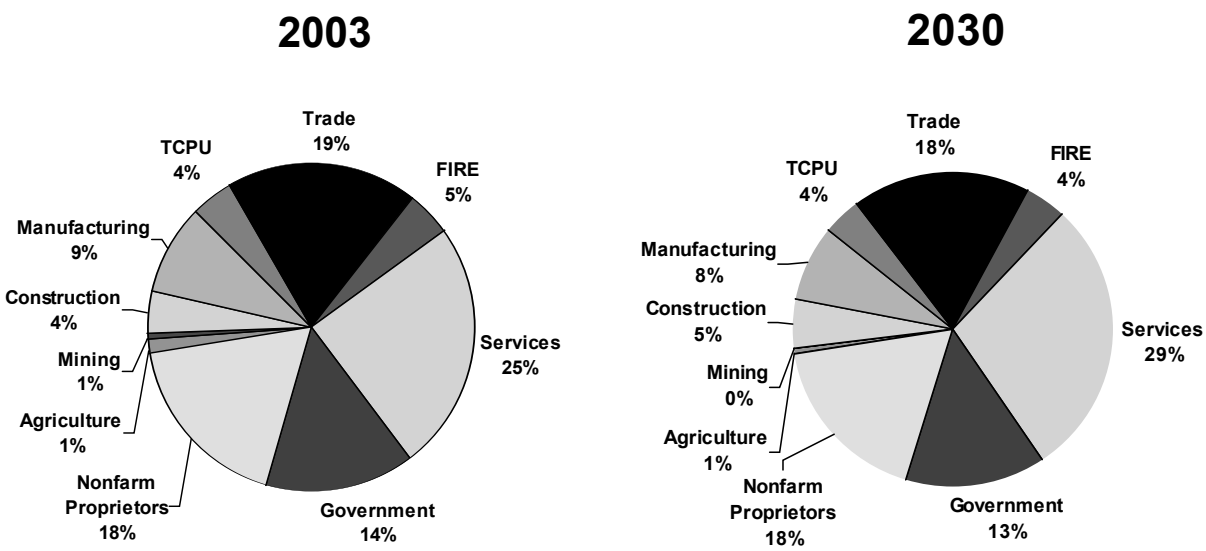
Source: 2002 Baseline Projections, GOPB; UPED Model System

Figure 15
Total Employment Growth by Decade for Utah and the U.S.



Source: 2002 Baseline Projections, GOPB; UPED Model System

Figure 16
Industry Employment as a Share of Total State Employment



Source: 2002 Baseline Projections, GOPB; UPED Model System

Table 3
Utah Economic and Demographic Summary

Year	July 1, 2002 Population		School-Age Population (5-17)		Non-Ag Payroll Employment		Households		
	Total	AARC*	Total	AARC*	Total	AARC*	Total	AARC*	Average Size
1990	1,729,227	na	458,454	na	724,013	na	538,385	na	3.16
1995	1,995,228	2.90%	491,657	1.41%	908,371	4.64%	644,477	3.66%	3.04
2000	2,246,553	2.40%	509,320	0.71%	1,075,144	3.43%	705,423	1.82%	3.13
2005	2,464,633	1.87%	524,458	0.59%	1,184,212	1.95%	792,786	2.36%	3.06
2010	2,787,670	2.49%	601,034	2.76%	1,348,977	2.64%	914,309	2.89%	3.00
2015	3,126,736	2.32%	696,579	2.99%	1,503,562	2.19%	1,039,599	2.60%	2.96
2020	3,371,071	1.52%	755,423	1.64%	1,617,315	1.47%	1,142,421	1.90%	2.90
2025	3,570,016	1.15%	772,652	0.45%	1,709,613	1.12%	1,232,017	1.52%	2.85
2030	3,772,042	1.11%	779,863	0.19%	1,798,566	1.02%	1,322,887	1.43%	2.80

Notes: *AARC - Average Annual Rate of Change
Numbers in this table may differ from other tables due to different data sources.
This is the 2002 Baseline, revised December, 2001.
The last year of historical data is 2001 for employment and 2001 for population.
Total population is the population in households plus the population in group quarters. Persons per household is population in households divided by the number of households.
Populations are dated July 1.

Source: Governor's Office of Planning and Budget--Demographic and Economic Analysis Section, UPED Model System.

Table 4
Population Projections by County and District: April 1

MCD/County	1980	1990	2000	2005	2010	2015	2020	2030	AARC 2000-2030
BEAR RIVER	92,498	108,393	136,097	150,781	171,102	191,989	203,708	214,036	1.52%
Box Elder	33,222	36,485	42,745	46,928	53,224	59,433	63,391	68,088	1.56%
Cache	57,176	70,183	91,391	101,811	115,697	130,246	137,966	143,615	1.52%
Rich	2,100	1,725	1,961	2,042	2,181	2,310	2,351	2,333	0.58%
WASATCH FRONT	941,172	1,104,356	1,381,778	1,498,463	1,675,743	1,865,039	2,007,635	2,247,652	1.63%
Davis	146,540	187,941	238,994	262,241	292,201	323,992	347,412	386,672	1.62%
Morgan	4,917	5,528	7,129	7,506	8,329	9,250	9,981	11,312	1.55%
Salt Lake	619,066	725,956	898,387	967,390	1,077,556	1,195,554	1,283,784	1,431,843	1.57%
Tooele	26,033	26,601	40,735	50,119	59,780	70,338	79,539	97,055	2.94%
Weber	144,616	158,330	196,533	211,207	237,877	265,905	286,919	320,770	1.65%
MOUNTAINLAND	236,827	289,197	413,487	482,023	567,921	650,065	701,258	792,953	2.19%
Summit	10,198	15,518	29,736	35,162	41,988	49,462	56,001	68,474	2.82%
Utah	218,106	263,590	368,536	428,156	503,039	573,608	615,480	689,586	2.11%
Wasatch	8,523	10,089	15,215	18,705	22,894	26,995	29,777	34,893	2.81%
CENTRAL	47,087	52,294	66,192	71,500	77,256	84,409	90,388	94,874	1.21%
Juab	5,530	5,817	8,238	9,577	10,954	12,552	13,996	15,660	2.16%
Millard	8,970	11,333	12,405	13,051	13,538	14,250	14,730	14,605	0.55%
Piute	1,329	1,277	1,435	1,448	1,508	1,570	1,606	1,588	0.34%
Sanpete	14,620	16,259	22,763	24,488	26,351	28,685	30,611	31,860	1.13%
Sevier	14,727	15,431	18,842	20,117	21,649	23,570	25,159	26,174	1.10%
Wayne	1,911	2,177	2,509	2,819	3,256	3,782	4,286	4,987	2.32%
SOUTHWEST	55,489	83,263	140,919	164,441	193,112	224,438	251,404	303,288	2.59%
Beaver	4,378	4,765	6,005	6,432	6,932	7,470	7,823	8,417	1.13%
Garfield	3,673	3,980	4,735	4,869	5,332	5,833	6,196	6,841	1.23%
Iron	17,349	20,789	33,779	36,457	40,696	45,315	48,954	55,562	1.67%
Kane	4,024	5,169	6,046	6,907	8,272	9,765	11,077	13,628	2.75%
Washington	26,065	48,560	90,354	109,776	131,880	156,055	177,354	218,840	2.99%
UINTAH BASIN	33,840	35,546	40,516	42,866	44,837	48,042	50,189	51,372	0.79%
Daggett	769	690	921	976	1,030	1,112	1,169	1,208	0.91%
Duchesne	12,565	12,645	14,371	15,254	16,251	17,685	18,718	19,545	1.03%
Uintah	20,506	22,211	25,224	26,636	27,556	29,245	30,302	30,619	0.65%
SOUTHEAST	54,124	49,801	54,180	54,559	57,699	62,754	66,489	67,867	0.75%
Carbon	22,179	20,228	20,422	20,562	21,804	23,769	25,236	25,848	0.79%
Emery	11,451	10,332	10,860	10,667	11,103	11,906	12,455	12,438	0.45%
Grand	8,241	6,620	8,485	8,596	8,969	9,638	10,102	10,122	0.59%
San Juan	12,253	12,621	14,413	14,734	15,823	17,441	18,696	19,459	1.01%
STATE OF UTAH	1,461,037	1,722,850	2,233,169	2,464,633	2,787,670	3,126,736	3,371,071	3,772,042	1.76%

Notes:
1) AARC is average annual rate of change.
2) 1980 and 1990 populations are April 1 U.S. Census modified age, race and sex (MARS) populations.
3) 2000 populations are April 1 U.S. Census summary file 1 (SF1) populations; all others are July 1 populations.

Sources:
1) U.S. Bureau of the Census; Utah Population Estimates Committee.
2) 2002 Baseline Projections, Governor's Office of Planning and Budget, UPED Model System.

Table 5
Total Employment Projections by Major Industry

Industry	1980	1990	1995	2000	2005
Agriculture (4)	19,660	19,148	18,468	20,595	19,402
Mining	18,502	8,604	8,114	8,003	7,675
Construction	31,548	27,927	54,793	71,598	67,091
Manufacturing	87,707	107,102	123,865	130,847	129,507
TCPU (1)	34,127	42,286	51,496	60,846	63,791
Trade	128,692	172,394	220,026	251,635	268,359
FIRE (2)	25,768	34,133	47,678	57,327	65,407
Services (3)	105,839	185,865	243,716	315,368	377,275
Government	124,929	150,557	163,669	184,539	209,910
Nonfarm Proprietors (4)	90,616	152,403	184,868	239,351	261,683
TOTAL EMPLOYMENT (5)	667,388	900,419	1,116,693	1,340,109	1,470,100
Non-Ag Payroll Emp (6)	551,833	724,013	907,909	1,075,144	1,184,212

Industry	2010	2015	2020	2025	2030
Agriculture (4)	18,901	18,226	17,470	16,515	16,164
Mining	7,511	7,242	6,866	6,465	4,675
Construction	77,730	86,316	93,504	99,958	106,323
Manufacturing	138,729	147,993	156,586	164,974	173,254
TCPU (1)	69,759	75,869	81,499	87,127	93,148
Trade	299,181	328,728	350,783	370,293	392,290
FIRE (2)	73,288	80,710	85,946	90,287	94,777
Services (3)	451,524	519,196	568,268	607,898	643,192
Government	236,206	262,583	278,904	287,510	295,852
Nonfarm Proprietors (4)	294,809	327,295	351,708	373,561	397,366
TOTAL EMPLOYMENT (5)	1,667,638	1,854,158	1,991,534	2,104,588	2,217,041
Non-Ag Payroll Emp (6)	1,348,977	1,503,562	1,617,315	1,709,613	1,798,566

Source: Governor's Office of Planning and Budget--Demographic and Economic Analysis Section, UPED Model System.

Note: Numbers in this table may differ from other tables due to different data sources. Also, these data are based on SIC codes and do not reflect the new NAICS classification system.

This is the 2002 Baseline, revised December, 2001.
Calculations may not match other projections in this report due to updated information.
(1) Transportation, Communications and Public Utilities
(2) Finance, Insurance and Real Estate
(3) Includes Private Household and Agricultural Services employment (SICs 88, 07, 08, and 09)
(4) U.S. Bureau of Economic Analysis definition
(5) Totals may not add due to rounding
(6) Excludes Agriculture, Private Household, and Nonfarm Proprietor employment

Table 6
Utah Population Projections by Selected Age Groups

Age	1980	1990	2000	2005	2010	2015	2020	2025	2030
0-4	189,962	172,252	210,667	251,546	280,481	298,969	301,938	306,681	326,705
5-17	350,143	456,783	512,361	524,458	601,034	696,579	755,423	772,652	779,863
18-29	351,391	337,682	499,004	536,770	550,338	555,452	579,211	632,344	695,239
30-39	184,866	261,192	301,065	327,325	410,129	481,227	477,538	445,675	439,531
40-64	275,455	345,459	532,133	618,850	708,984	805,067	899,399	979,906	1,031,962
65+	109,220	149,482	191,323	205,684	236,704	289,442	357,562	432,758	498,742
15-44	678,160	789,887	1,074,503	1,133,894	1,240,101	1,367,760	1,454,150	1,498,069	1,536,089
16-64	864,989	1,003,330	1,416,755	1,560,271	1,749,736	1,933,403	2,064,881	2,174,065	2,285,574
60+	155,480	201,994	254,144	284,137	341,810	422,364	509,415	588,971	654,137
Total	1,461,037	1,722,850	2,246,553	2,464,633	2,787,670	3,126,736	3,371,071	3,570,016	3,772,042
Median Age	24	26	27	28	29	30	31	32	32

Source: Governor's Office of Planning and Budget--Demographic and Economic Analysis Section, UPED Model System.

Notes: This is the 2002 Baseline, revised December, 2001.
1980 and 1990 populations are April 1 U.S. Census MARS populations; all others are July 1 populations.

Table 7
Utah Population Projections by Selected Age Groups as a Percent of Total

Age	1980	1990	2000	2005	2010	2015	2020	2025	2030
0-4	13.0%	10.0%	9.4%	10.2%	10.1%	9.6%	9.0%	8.6%	8.7%
5-17	24.0%	26.5%	22.8%	21.3%	21.6%	22.3%	22.4%	21.6%	20.7%
18-29	24.1%	19.6%	22.2%	21.8%	19.7%	17.8%	17.2%	17.7%	18.4%
30-39	12.7%	15.2%	13.4%	13.3%	14.7%	15.4%	14.2%	12.5%	11.7%
40-64	18.9%	20.1%	23.7%	25.1%	25.4%	25.7%	26.7%	27.4%	27.4%
65+	7.5%	8.7%	8.5%	8.3%	8.5%	9.3%	10.6%	12.1%	13.2%
15-44	46.4%	45.8%	47.8%	46.0%	44.5%	43.7%	43.1%	42.0%	40.7%
16-64	59.2%	58.2%	63.1%	63.3%	62.8%	61.8%	61.3%	60.9%	60.6%
60+	10.6%	11.7%	11.3%	11.5%	12.3%	13.5%	15.1%	16.5%	17.3%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: Governor's Office of Planning and Budget--Demographic and Economic Analysis Section, UPED Model System.
Notes: This is the 2002 Baseline, revised December, 2001.
1980 and 1990 populations are April 1 U.S. Census MARS populations; all others are July 1 populations.

Table 8
Location Quotients and Hachman Index for the State of Utah

Industry	1980	1990	2000	2010	2020	2030
Agriculture	0.89	0.94	0.81	0.69	0.60	0.55
Mining	3.05	1.86	1.86	1.69	1.45	0.97
Construction	1.20	0.81	1.30	1.15	1.17	1.20
Manufacturing	0.73	0.86	0.87	0.83	0.83	0.87
TCPU	1.13	1.13	1.08	1.01	1.00	1.04
Trade	1.06	1.01	1.01	0.96	0.95	0.96
FIRE	0.82	0.77	0.91	0.94	0.93	0.92
Services	0.88	0.93	0.90	0.97	0.99	0.98
Government	1.14	1.10	1.02	1.08	1.08	1.05
Nonfarm Proprietors	1.12	1.21	1.17	1.13	1.12	1.13
Hachman Index	0.94	0.98	0.98	0.99	0.99	0.99

Notes: These data are based on SIC codes and do reflect the new NAICS classification system.
Location Quotients are measures of relative shares. The share of a given industry in the subject area (Utah) is compared to that of the reference region (United States). A location greater than 1 indicates specialization in a subject region relative to the reference region.
The Hachman Index measures how closely the employment distribution of the subject region (Utah) resembles that of the reference region (United States). As the value of the index approaches one, this means that the subject region's employment distribution among industries is more similar to that of the reference region.

Source: 2002 Baseline Projections, GOPB, UPED Model System.

Table 9
Hachman Index by Individual County in the State of Utah

County	1980	1990	2000	2010	2020	2030
Beaver	0.48	0.46	0.36	0.42	0.48	0.52
Box Elder	0.69	0.53	0.57	0.61	0.61	0.58
Cache	0.84	0.81	0.85	0.85	0.84	0.82
Carbon	0.15	0.20	0.37	0.42	0.55	0.71
Daggett	0.35	0.49	0.60	0.60	0.61	0.63
Davis	0.73	0.83	0.89	0.91	0.92	0.92
Duchesne	0.21	0.33	0.29	0.43	0.54	0.61
Emery	0.06	0.10	0.10	0.12	0.17	0.27
Garfield	0.40	0.55	0.58	0.66	0.71	0.75
Grand	0.22	0.60	0.81	0.83	0.84	0.84
Iron	0.81	0.84	0.91	0.90	0.90	0.91
Juab	0.65	0.56	0.67	0.72	0.76	0.76
Kane	0.70	0.75	0.87	0.88	0.89	0.89
Millard	0.31	0.40	0.36	0.42	0.44	0.44
Morgan	0.45	0.32	0.47	0.51	0.54	0.55
Piute	0.24	0.13	0.13	0.15	0.17	0.18
Rich	0.22	0.18	0.28	0.32	0.35	0.37
Salt Lake	0.93	0.96	0.95	0.96	0.96	0.96
San Juan	0.10	0.33	0.44	0.33	0.41	0.55
Sanpete	0.47	0.48	0.60	0.65	0.68	0.70
Sevier	0.60	0.62	0.65	0.68	0.73	0.77
Summit	0.41	0.80	0.79	0.81	0.82	0.82
Tooele	0.42	0.53	0.82	0.86	0.87	0.88
Uintah	0.21	0.25	0.19	0.30	0.43	0.51
Utah	0.94	0.92	0.93	0.93	0.93	0.93
Wasatch	0.59	0.68	0.73	0.78	0.79	0.79
Washington	0.81	0.88	0.84	0.88	0.88	0.88
Wayne	0.30	0.27	0.48	0.60	0.68	0.73
Weber	0.93	0.94	0.96	0.96	0.96	0.97

Note: The subject region is each individual county, and the reference region is the United States.

Source: 2002 Baseline Projections, GOPB, UPED Model System.

Table 10
Utah Dependency Ratios

	1980	1990	2000	2005	2010	2015	2020	2030
Dependency Ratio	80	82	69	66	67	70	72	74
Pop 0-4 per 100 Pop age 18-64	23	18	16	17	17	16	15	15
Pop 5-17 per 100 Pop age 18-64	43	48	38	35	36	38	39	36
Pop 65+ per 100 Pop age 18-64	13	16	14	14	14	16	18	23

Source: Governor's Office of Planning and Budget--Demographic and Economic Analysis Section, UPED Model System.

Notes: This is the 2002 Baseline, revised December, 2001.
1980 and 1990 populations are April 1 U.S. Census MARS populations; all others are July 1 populations.
The dependency ratio is defined as the population ages 0-17 and 65 plus per 100 persons ages 18-64.

Table 11
Historical and Projected Life Expectancies for Utah and the U.S.

	Utah			U.S.		
Year	Male	Female	Total	Male	Female	Total
1970	69.5	76.6	73.0	67.0	74.6	70.8
1980	72.4	79.2	75.8	70.1	77.6	73.9
1990	74.9	80.4	77.7	71.8	78.8	75.3
2000	76.0	81.2	78.6	73.0	79.7	76.4
2010	77.0	82.0	79.5	74.1	80.6	77.3
2020	78.0	82.7	80.4	75.3	81.4	78.4
2030	79.0	83.5	81.3	76.7	82.3	79.5

Sources: National Center for Health Statistics, Vital Statistics of the United States, Decennial Life Tables; Governor's Office of Planning and Budget--Demographic and Economic Analysis Section, UPED Model System.

Economic Indicators

Demographics

Overview

The state's official July 1, 2003 population was estimated by the Utah Population Estimates Committee (UPEC) to be 2,385,358 persons, increasing 2.0% from 2002. Although the state continues to experience net in-migration, natural increase accounts for the majority of the state's population growth. Utah's population growth is characterized by a high birth rate and low death rate, both at record levels for the state in 2003.

According the U.S. Census Bureau's July 1 population estimates, Utah's population increased 1.4% from 2002 to 2003, ranking Utah eighth among states in population growth. Utah also continues to have a distinctive demographic profile. The state's population is younger, women tend to have more children, people on average live in larger households, and people tend to survive to older ages in comparison to other states.

2003 State and County Population Estimates

The Utah Population Estimates Committee recently released July 1, 2003 population estimates for the State of Utah and its counties. The state's population reached 2,385,358 in 2003, a year-over increase of 46,597 persons, or 2.0%. The state experienced its 13th straight year of net in-migration in 2003, as well as record setting years for births and natural increase (births minus deaths).

Utah's counties experienced varied growth rates in 2003. The most rapid growth in Utah occurred in counties within or adjacent to the northern metropolitan region, and in the southwestern portion of the state. The counties that are estimated to have grown faster than the state rate of 2.0% over the past year include, Summit County, with the highest growth rate of 5.7%, followed by Washington (5.1%), Tooele (3.5%), Utah (3.2%), Wasatch (3.1%), Cache (2.8%), Davis (2.5%), and Iron (2.3%).

Several counties experienced a decrease in population from 2002 to 2003. The majority of these counties are located in the mid-to-southern central areas of the state. Piute County experienced the largest percent decrease with -3.7%, followed by Carbon (-1.5%), Garfield (-1.5%), Millard (-1.1%), Duchesne (-1.1%), Wayne (-0.7%), Sanpete (-0.7%), Emery (-0.6%), and Kane (-0.4%) counties.

Components of Population Change

Annual changes in population are comprised of two components: natural increase and net migration. Natural increase is the number of births minus the number of deaths. Annual births were at a record level in 2003 at 49,518, as well as annual deaths at 12,798. Since 1990, over 60% of the state's population growth has resulted from natural increase.

Net migration is the second component of population change. For a given period, net migration is in-migration minus out-migration, or the number of people moving into a place minus the number of people moving out. Total population in the state increased by 46,597 persons from 2002 to 2003. Natural increase accounted for 36,720 persons, or 78.8%, while net in-migration accounted for 9,877 persons, or 21.2% of the total population increase. In 2003, Utah experienced net in-migration for the 13th year in a row.

Fluctuations in the annual amount of natural increase may result from changes in the size, age structure, and vital rates (fertility and mortality) of the population. Total fertility rate is the number of births a woman would have during her lifetime if, at each year of age, she experienced the birth rate occurring for that specific year. Utah's fertility rate, 2.68 in 2003, continues to be the highest among states nationwide.

According to the National Center for Health Statistics, life expectancy has increased for both men and women in Utah and the U.S. from 1970 through 1990, although Utah life expectancy has been consistently higher than the national average. Life expectancy in Utah has risen from 72.9 in 1970 to 77.7 in 1990, compared to 70.8 in 1970 and 75.4 in 1990 for the U.S.

Utah's Young Population

Utah's rate of population growth continues to be higher than that of the nation. The state's population is younger, women tend to have more children, people on average live in larger households, and people tend to survive to older ages in comparison to other states. All these factors lead to an age structure that is quite unique among states.

The Census Bureau's Population Estimates Program publishes population numbers between censuses. According to the July 1, 2002 population estimates, Utah has the highest share of its total population in the preschool age group (9.5%), and the second highest share of its total population in the school-age group (21.3%). At the same time, the state has one of the smallest shares of its population in the working age group (60.6%). Only Alaska (6.1%) has a smaller share of its total population in the 65 and older age group than does Utah (8.6%).

Another way to look at the age structure of a population is by examining the dependency ratio, which is a calculation of the number of non-working age persons (under 18 and 65 and over) per 100 persons of working age (18 to 64). Based on the U.S. Census Bureau's July 1, 2002 results, the total dependency ratio for Utah was 65.0, compared to 66.7 in 2001. Utah continues to have one of the highest dependency ratios among states, ranking fourth in 2002.

July 1, 2003 Census Bureau State Population Estimates

According to the U.S. Census Bureau, Utah's population reached 2,351,467 in 2003, increasing by 32,678 people, or 1.4% from 2002 to 2003, ranking Utah eighth among states in population growth over a one year period. Nevada grew the fastest at 3.4%, followed by Arizona (2.6%), Florida (2.0%), Texas (1.8%), and Idaho (1.7%).

July 1, 2002 Census Bureau County Population Estimates

Salt Lake County continued to be the largest county in the state, with a 2002 population of 919,308, followed by Utah (387,817), Davis (249,224), Weber (204,167), and Washington (99,442). Washington County experienced the most growth from 2001 to 2002 (5.1%), followed by Wasatch (4.9%), Tooele (4.6%), Summit (2.9%), and Duchesne (2.1%). Counties that experienced negative growth from 2001 to 2002 were Daggett (-2.3%), Garfield (-2.1%), Piute (-1.6%), and Emery (-0.3%).

July 1, 2002 Census Bureau City Population Estimates

Salt Lake City was the largest city in the state in 2002, with a population of 181,226, followed by West Valley City (111,254), Provo (105,170), Sandy (89,244), and Orem (83,662). The City of Eagle Mountain, in Utah County, led the way among the state's fastest growing cities with a population greater than 5,000. Eagle Mountain increased 30.9% from 2001 to 2002. Other large cities that experienced significant increases from 2001 to 2002 include Syracuse (15.1%), Ivans (9.9%), Washington

(9.8%), South Weber (9.4%), Highland (9.2%), Draper (8.4%), Riverton (8.4%), Heber (6.7%), and Clinton (6.1%).

Census 2000 Household and Family Characteristics

Utah continued to have the largest households in the nation, with 3.13 persons per household in 2000, compared to 2.59 nationally. The number of households in the state reached 701,281 in 2000, a 30.5% increase from 1990. Utah also continued to have the largest families in 2000, with 3.57 persons per family, compared to 3.14 nationally.

Over the past several decades, the composition of households in Utah has changed significantly. The number of family households increased by 30%; however, the proportion of households that are designated as family households remained at 76%. Only 35% of households in Utah in 2000 were composed of married couples with "own children" under 18, compared to 42% in 1980. The number of married couples, with or without children, has declined from 69% in 1980 to 63% in 2000. Despite these trends, Utah ranked first in the nation in 2000 in the percent of family households (76%) and percent of married couple families (63%).

State and County Race and Hispanic Origin Counts

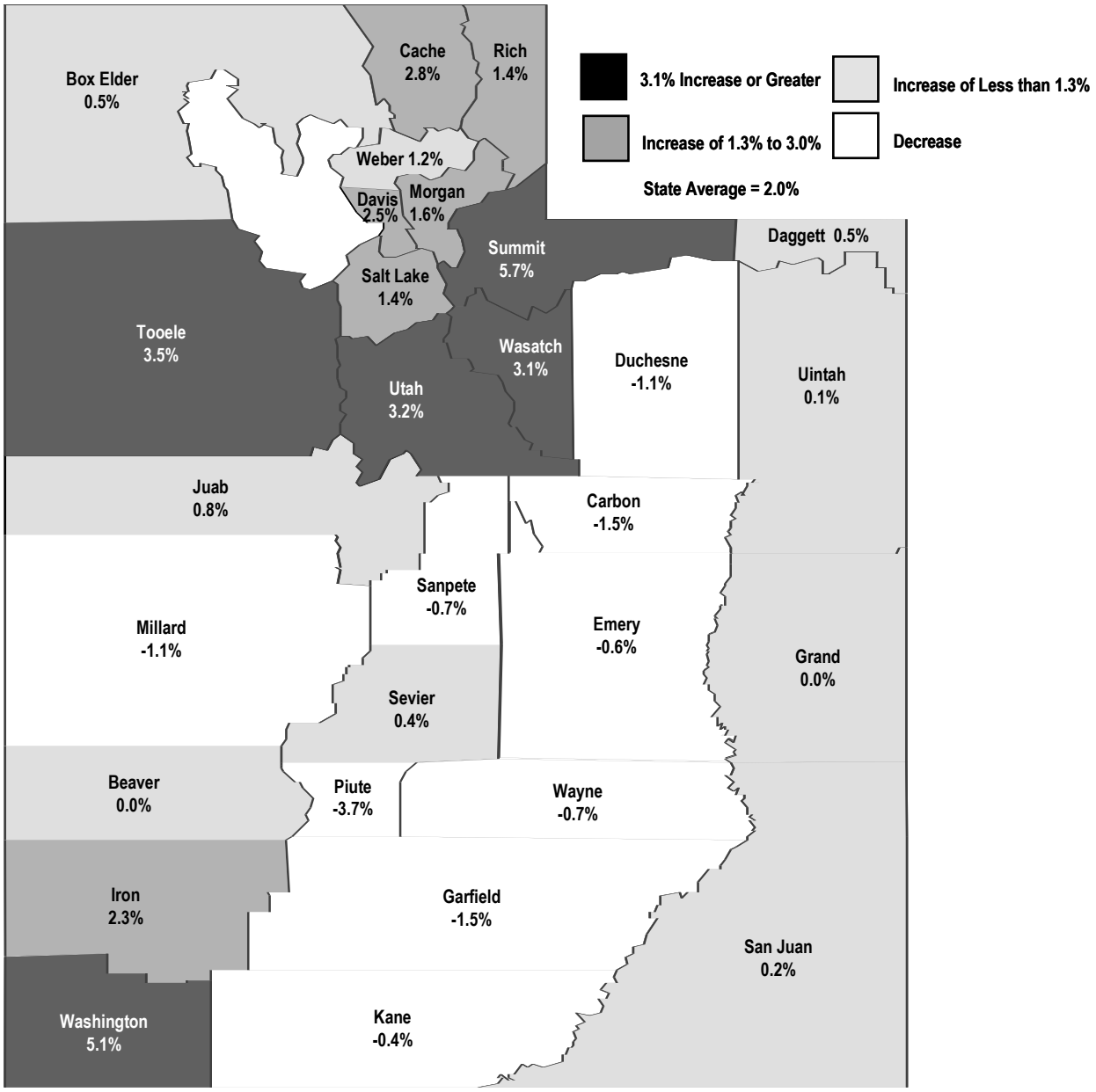
Race and Hispanic origin estimates are derived by updating the modified Census 2000 population with data on the components of population change. The enumerated resident population in Census 2000 is the base for the post-2000 population estimates. The enumerated population was modified in two ways for purposes of developing new estimates. First, the race data were modified to eliminate the "Some Other Race" category. Second, the April 1, 2000 population estimates base reflects modifications to the Census 2000 population as documented in the Count Question Resolution program.

The Office of Management and Budget (OMB) standards identify five minimum race categories: White, Black or African American, American Indian and Alaska Native, Asian, and Native Hawaiian and Other Pacific Islander. Additionally, the OMB recommended that respondents be given the option of selecting two or more races to indicate their racial identity. On the Census 2000 questionnaire, the OMB approved including a sixth category, "Some Other Race," for respondents unable to identify with any of the five race categories. For purposes of estimates production, responses of "Some Other Race" alone were modified by imputing an OMB race alone or in combination with another race response. Responses of both "Some Other Race" and an OMB race were modified by keeping only the OMB race response.

The majority of Utahns (98.6%) were of one race in 2002. Among those that were of a single race, the majority were White (93.6%), followed by Asian (1.8%), American Indian and Alaska Native (1.4%), Black or African American (0.9%), and Native Hawaiian or Other Pacific Islander (0.8%).

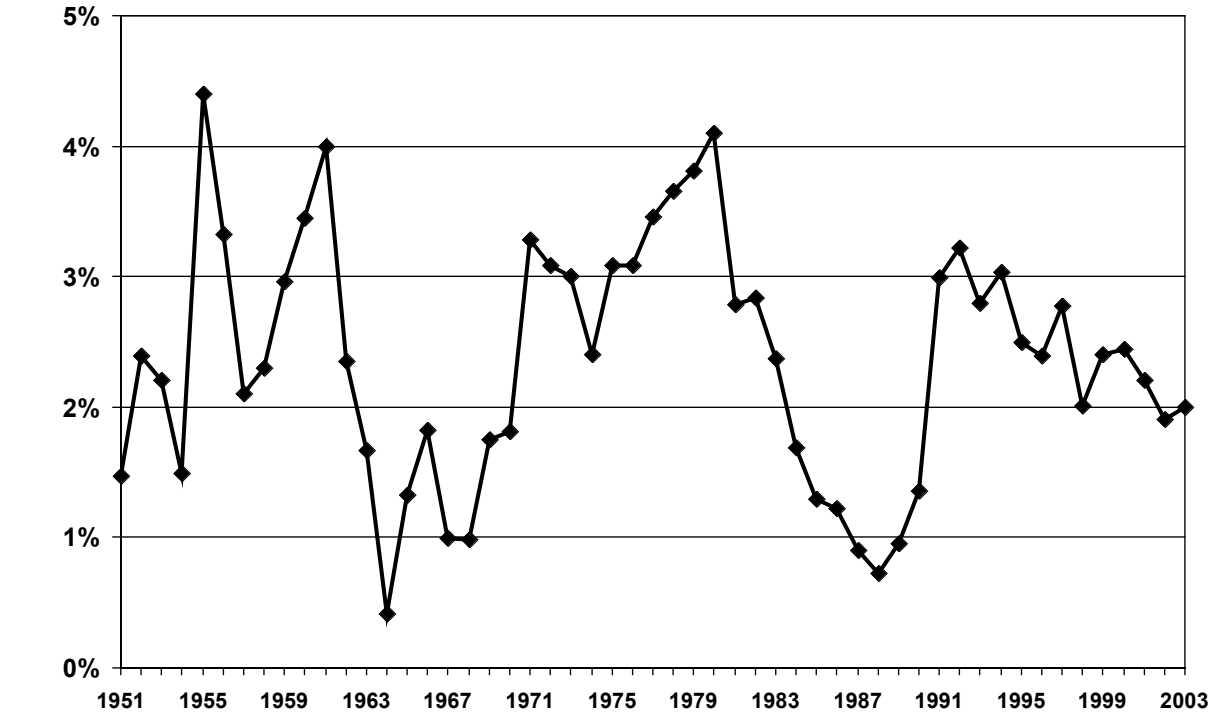
The Hispanic population in Utah increased 4.8%, from 213,983 in 2001 to 224,304 in 2002. Hispanics accounted for 9.7% of the state's population in 2002, compared to 9.4% in 2001. Among Utah's counties, Wasatch County had the fastest growing Hispanic population (20.5%) from 2001 to 2002, followed by Sevier (10.5%), Cache (8.5%), Wayne (7.4%), and Washington (7.2%). Hispanics made up 13.4% of the total population in Weber County in 2002, the largest percentage among all counties, followed by Salt Lake (13.1%), Carbon (9.9%), Tooele (9.2%), and Summit (8.7%).

Figure 17
Utah Population Growth Rates by County: 2002 to 2003



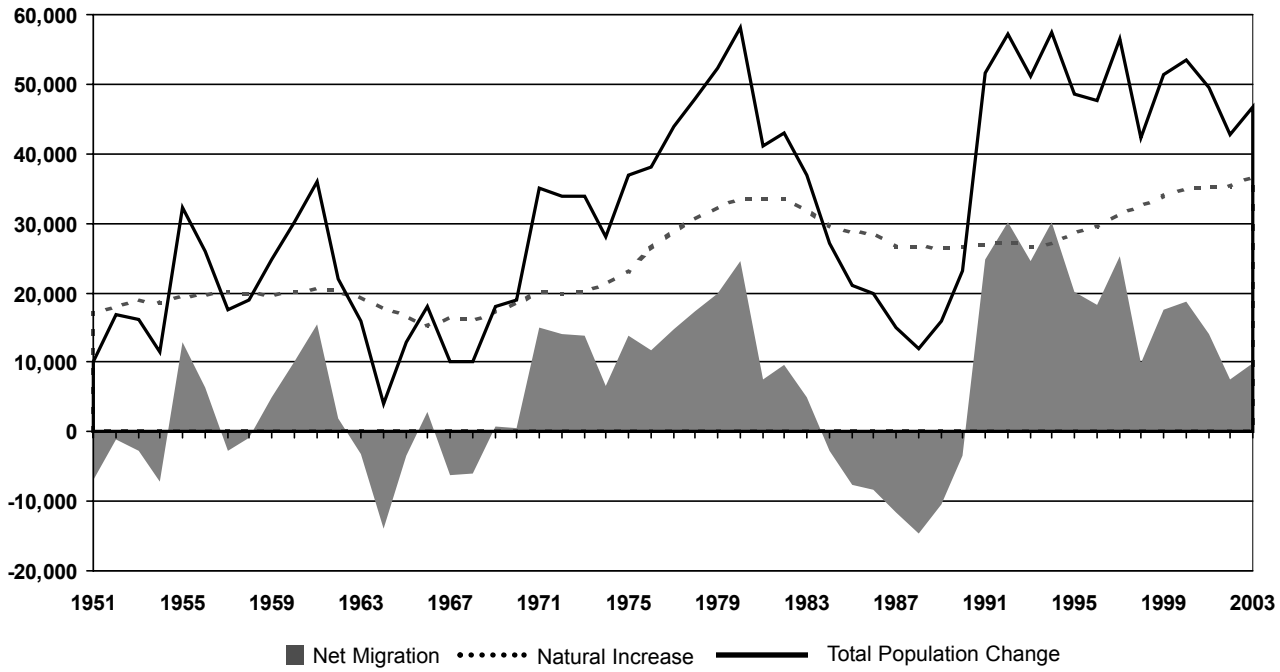
Source: Utah Population Estimates Committee

Figure 18
Utah Population -- Annual Percent Change



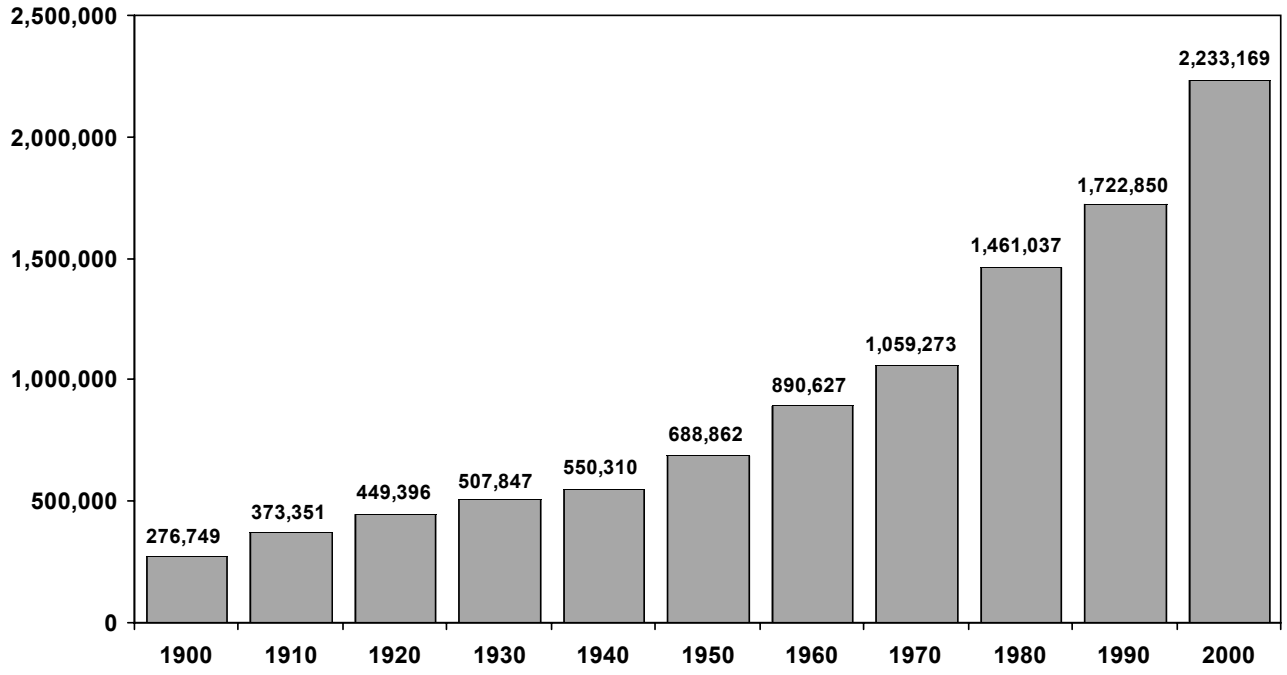
Source: Utah Population Estimates Committee

Figure 19
Utah Components of Population Change



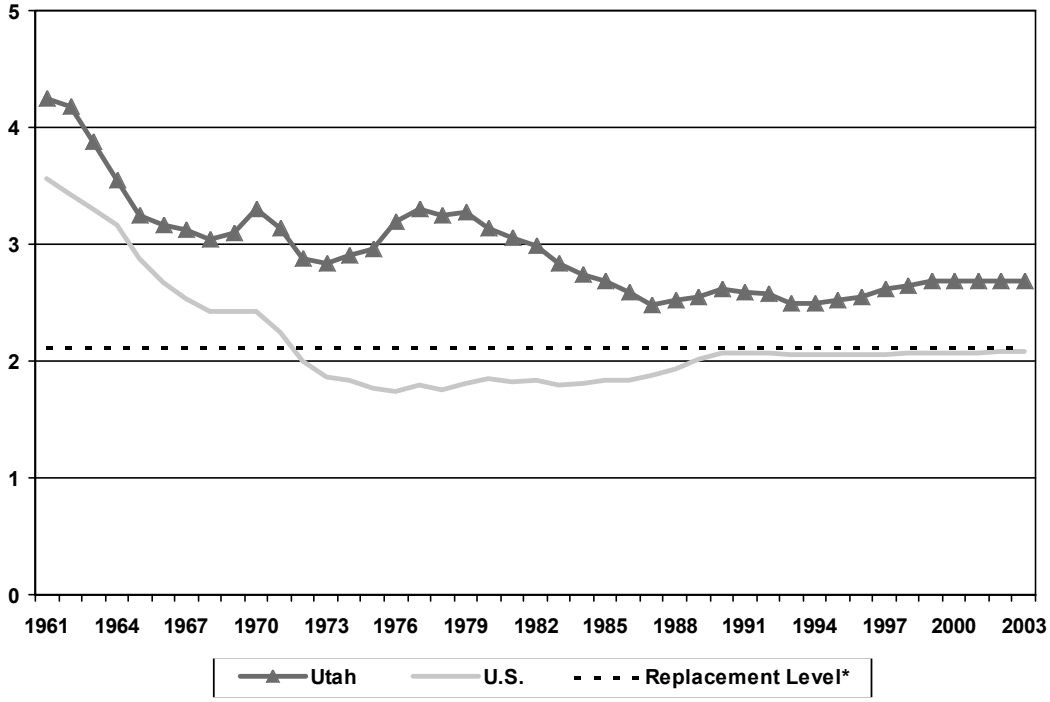
Source: Utah Population Estimates Committee

Figure 20
State of Utah Total Population: 1900-2000



Source: U.S. Census Bureau (April 1st population counts)

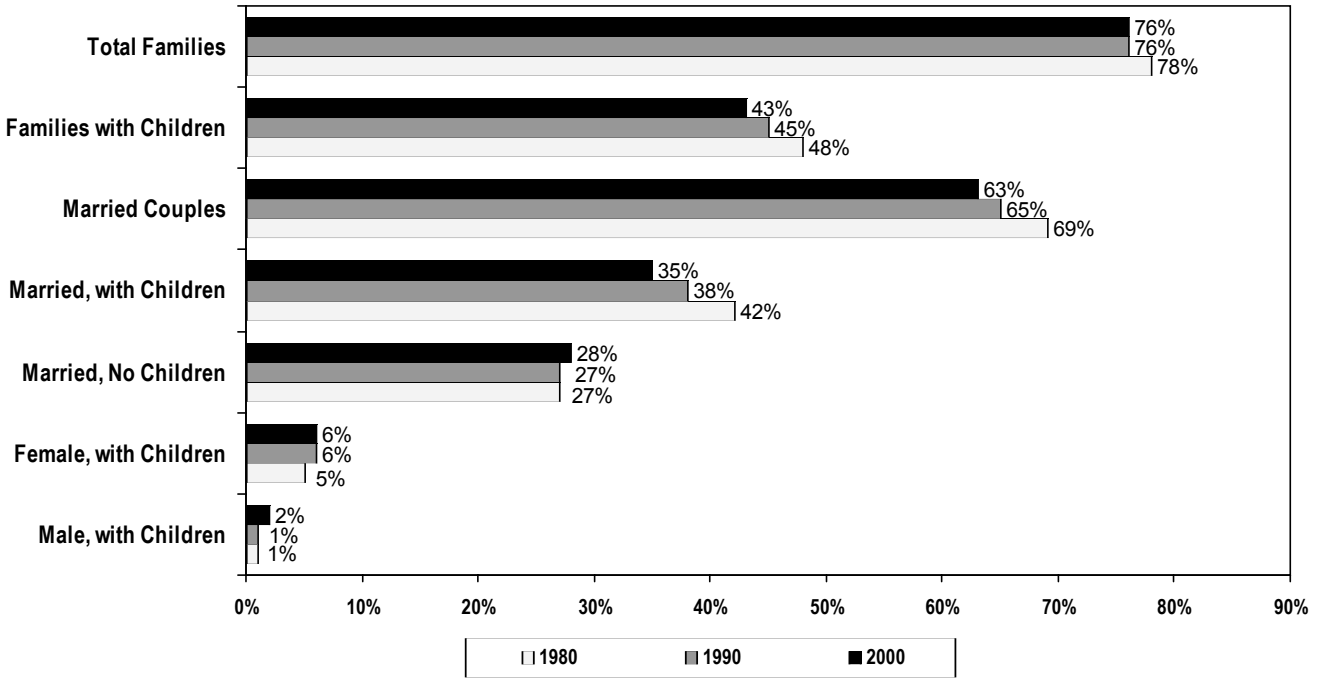
Figure 21
Total Fertility for Utah and the U.S.



Note: The Replacement Level is the fertility level at which the current population is replaced.

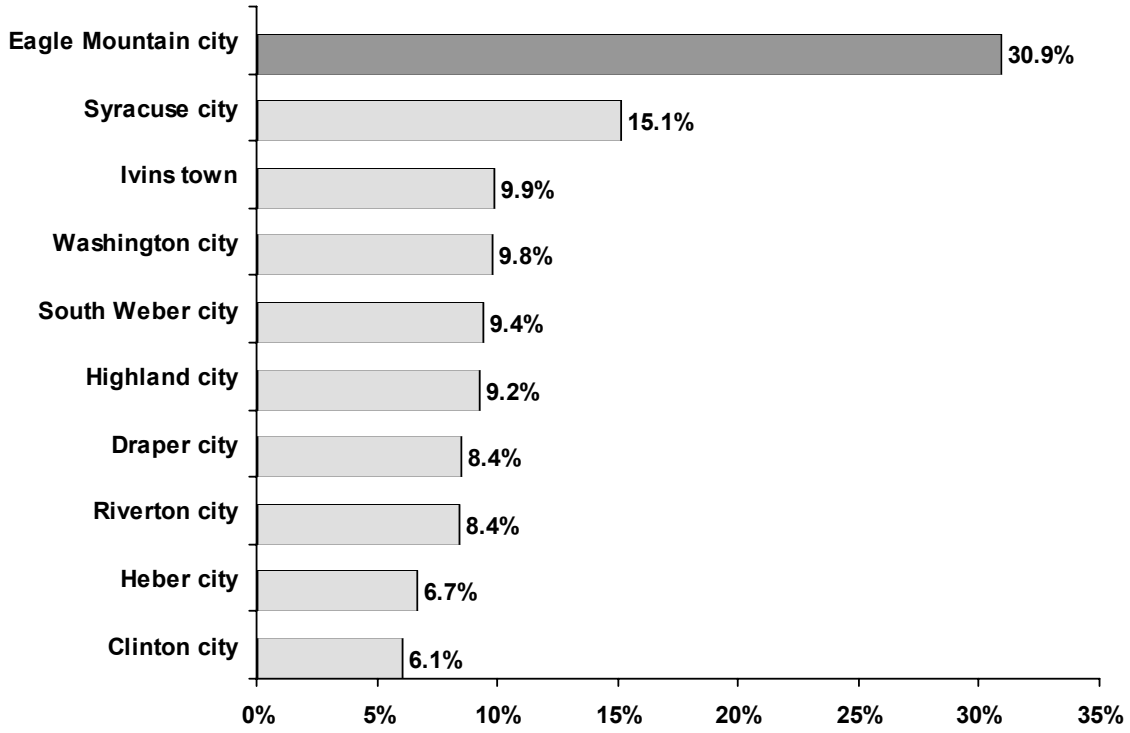
Sources: National Center for Health Statistics, Governor's Office of Planning and Budget, UPED/CASA, Eileen Brown, "Fertility in Utah: 1960-1985."

Figure 22
Utah Family Characteristics as a Percent of Total Households: 1980-2000



Source: U.S. Census Bureau

Figure 23
Fastest Growing Cities in Utah from 2001 to 2002 (Population 5,000+)



Source: U.S. Census Bureau (July 1, population estimates)

Table 12
Utah Population Estimates, Net Migration, Births and Deaths

Year	July 1st Population*	Percent Change	Increase	Net Migration	Net Migration as a Percent of Previous Year's Population	Natural Increase	Fiscal Year Births	Fiscal Year Deaths
1940	551,800	---	---	---	---	8,419	13,038	4,619
1941	551,000	-0.1%	-800	-9,631	-1.7%	8,831	13,293	4,462
1942	571,200	3.7%	20,200	10,231	1.8%	9,969	14,357	4,388
1943	640,000	12.0%	68,800	57,284	9.0%	11,516	16,182	4,666
1944	604,700	-5.5%	-35,300	-47,122	-7.8%	11,822	16,536	4,714
1945	589,100	-2.6%	-15,600	-26,992	-4.6%	11,392	15,937	4,545
1946	638,000	8.3%	48,900	36,649	5.7%	12,251	16,955	4,704
1947	636,000	-0.3%	-2,000	-19,178	-3.0%	17,178	21,905	4,727
1948	653,000	2.7%	17,000	943	0.1%	16,057	20,856	4,799
1949	670,800	2.7%	17,800	2,207	0.3%	15,593	20,354	4,761
1950	695,900	3.7%	25,100	8,966	1.3%	16,134	21,027	4,893
1951	706,100	1.5%	10,200	-6,842	-1.0%	17,042	21,801	4,759
1952	723,000	2.4%	16,900	-1,160	-0.2%	18,060	23,116	5,056
1953	739,100	2.2%	16,100	-2,789	-0.4%	18,889	23,573	4,684
1954	750,500	1.5%	11,400	-7,069	-0.9%	18,469	23,439	4,970
1955	782,800	4.3%	32,300	12,784	1.6%	19,516	24,584	5,068
1956	808,800	3.3%	26,000	6,348	0.8%	19,652	24,975	5,323
1957	826,300	2.2%	17,500	-2,639	-0.3%	20,139	25,443	5,304
1958	845,200	2.3%	18,900	-955	-0.1%	19,855	25,760	5,905
1959	869,900	2.9%	24,700	4,959	0.6%	19,741	25,610	5,869
1960	900,000	3.5%	30,100	10,047	1.1%	20,053	26,011	5,958
1961	936,000	4.0%	36,000	15,371	1.6%	20,629	26,560	5,931
1962	958,000	2.4%	22,000	1,817	0.2%	20,183	26,431	6,248
1963	974,000	1.7%	16,000	-3,317	-0.3%	19,317	25,648	6,331
1964	978,000	0.4%	4,000	-13,863	-1.4%	17,863	24,461	6,598
1965	991,000	1.3%	13,000	-3,553	-0.4%	16,553	23,082	6,529
1966	1,009,000	1.8%	18,000	2,810	0.3%	15,190	21,953	6,763
1967	1,019,000	1.0%	10,000	-6,350	-0.6%	16,350	23,030	6,680
1968	1,029,000	1.0%	10,000	-6,029	-0.6%	16,029	22,743	6,714
1969	1,047,000	1.7%	18,000	798	0.1%	17,202	24,033	6,831
1970	1,066,000	1.8%	19,000	612	0.1%	18,388	25,281	6,893
1971	1,101,150	3.3%	35,150	14,966	1.4%	20,184	27,400	7,216
1972	1,135,100	3.1%	33,950	14,046	1.2%	19,904	27,146	7,242
1973	1,168,950	3.0%	33,850	13,810	1.2%	20,040	27,562	7,522
1974	1,196,950	2.4%	28,000	6,621	0.6%	21,379	28,876	7,497
1975	1,233,900	3.1%	36,950	13,897	1.1%	23,053	30,566	7,513
1976	1,272,050	3.1%	38,150	11,761	0.9%	26,389	33,773	7,384
1977	1,315,950	3.5%	43,900	14,824	1.1%	29,076	36,707	7,631
1978	1,363,750	3.6%	47,800	17,220	1.3%	30,580	38,289	7,709
1979	1,415,950	3.8%	52,200	19,868	1.4%	32,332	40,216	7,884
1980	1,474,000	4.1%	58,050	24,536	1.7%	33,514	41,645	8,131
1981	1,515,000	2.8%	41,000	7,612	0.5%	33,388	41,509	8,121
1982	1,558,000	2.8%	43,000	9,662	0.6%	33,338	41,773	8,435
1983	1,595,000	2.4%	37,000	4,914	0.3%	32,086	40,555	8,469
1984	1,622,000	1.7%	27,000	-2,793	-0.2%	29,793	38,643	8,850
1985	1,643,000	1.3%	21,000	-7,714	-0.5%	28,714	37,664	8,950
1986	1,663,000	1.2%	20,000	-8,408	-0.5%	28,408	37,309	8,901
1987	1,678,000	0.9%	15,000	-11,713	-0.7%	26,713	35,631	8,918
1988	1,690,000	0.7%	12,000	-14,557	-0.9%	26,557	35,809	9,252
1989	1,706,000	0.9%	16,000	-10,355	-0.6%	26,355	35,439	9,084
1990	1,729,227	1.4%	23,227	-3,480	-0.2%	26,707	35,830	9,123
1991	1,780,870	3.0%	51,643	24,878	1.4%	26,765	36,194	9,429
1992	1,838,149	3.2%	57,279	30,042	1.6%	27,237	36,796	9,559
1993	1,889,393	2.8%	51,244	24,561	1.3%	26,683	36,738	10,055
1994	1,946,721	3.0%	57,328	30,116	1.5%	27,212	37,623	10,411
1995	1,995,228	2.5%	48,507	20,024	1.0%	28,483	39,064	10,581
1996	2,042,893	2.4%	47,665	18,171	0.9%	29,494	40,495	11,001
1997	2,099,409	2.8%	56,516	25,253	1.2%	31,263	42,512	11,249
1998	2,141,632	2.0%	42,223	9,745	0.5%	32,478	44,126	11,648
1999	2,193,014	2.4%	51,382	17,584	0.8%	33,798	45,434	11,636
2000	2,246,553	2.4%	53,539	18,612	0.8%	34,927	46,880	11,953
2001	2,295,971	2.2%	49,418	14,167	0.6%	35,251	47,688	12,437
2002	2,338,761	1.9%	42,790	7,411	0.3%	35,379	48,041	12,662
2003	2,385,358	2.0%	46,597	9,877	0.4%	36,720	49,518	12,798

Note: In 1996, the Utah Population Estimates Committee changed its convention on rounded estimates so that it now publishes unrounded estimates. Accordingly, the revised estimates for 1990 and thereafter are not rounded.

Sources:

1) Population: Utah Population Estimates Committee
2) Births: 1939-1949 and 1953-1972- Utah's Vital Statistics Reports, Utah Bureau of Vital Records; 1950-1952, 1973-1996- Birth Certificates held in the Utah Population Database, partially funded by the Huntsman Cancer Institute. 1997- Birth records file, Utah Bureau of Vital Records; 1998-2003 Summary data file, Utah Bureau of Vital Statistics.
3) Deaths: 1939- Utah's Vital Statistics Reports, Utah Bureau of Vital Records; 1940-1996- Death Certificates held in the Utah Population Database, partially funded by the Huntsman Cancer Institute. 1997- Death records file, Utah Bureau of Vital Records; 1998-2003 Summary data file, Utah Bureau of Vital Statistics.

Table 13
Utah Population Estimates by County

County	Census April 1, 2000	July 1, 2000	July 1, 2001	July 1, 2002	July 1, 2003	2002 - 2003 Absolute Change	2002 - 2003 Percent Change	2000 - 2003 Absolute Change	2000 - 2003 Percent Change	2000 - 2003 AARC	2003 Percent of Total Population
Beaver County	6,005	6,023	6,198	6,285	6,285	0	0.0%	262	4.4%	1.4%	0.26%
Box Elder County	42,745	42,860	43,245	43,812	44,022	210	0.5%	1,162	2.7%	0.9%	1.85%
Cache County	91,391	91,897	93,372	95,460	98,176	2,716	2.8%	6,279	6.8%	2.2%	4.12%
Carbon County	20,422	20,396	19,858	19,858	19,558	-300	-1.5%	-838	-4.1%	-1.4%	0.82%
Daggett County	921	933	944	916	921	5	0.5%	-13	-1.3%	-0.4%	0.04%
Davis County	238,994	240,204	244,845	250,265	256,554	6,289	2.5%	16,350	6.8%	2.2%	10.76%
Duchesne County	14,371	14,397	14,646	14,856	14,698	-159	-1.1%	301	2.1%	0.7%	0.62%
Emery County	10,860	10,782	10,473	10,540	10,477	-63	-0.6%	-305	-2.8%	-1.0%	0.44%
Garfield County	4,735	4,763	4,630	4,599	4,532	-67	-1.5%	-231	-4.8%	-1.6%	0.19%
Grand County	8,485	8,537	8,423	8,468	8,464	-3	0.0%	-73	-0.9%	-0.3%	0.35%
Iron County	33,779	34,079	34,920	35,507	36,310	803	2.3%	2,231	6.5%	2.1%	1.52%
Juab County	8,238	8,310	8,570	8,643	8,713	70	0.8%	403	4.8%	1.6%	0.37%
Kane County	6,046	6,037	6,037	5,958	5,937	-21	-0.4%	-100	-1.7%	-0.6%	0.25%
Millard County	12,405	12,461	12,326	12,335	12,200	-135	-1.1%	-261	-2.1%	-0.7%	0.51%
Morgan County	7,129	7,181	7,297	7,416	7,532	116	1.6%	351	4.9%	1.6%	0.32%
Piute County	1,435	1,436	1,404	1,409	1,358	-52	-3.7%	-79	-5.5%	-1.9%	0.06%
Rich County	1,961	1,955	1,983	2,050	2,079	29	1.4%	124	6.3%	2.1%	0.09%
Salt Lake County	898,387	902,777	918,279	927,564	940,465	12,901	1.4%	37,688	4.2%	1.4%	39.43%
San Juan County	14,413	14,360	14,063	14,216	14,240	24	0.2%	-120	-0.8%	-0.3%	0.60%
Sanpete County	22,763	22,846	23,219	23,550	23,391	-159	-0.7%	545	2.4%	0.8%	0.98%
Sevier County	18,842	18,938	19,180	19,232	19,318	86	0.4%	380	2.0%	0.7%	0.81%
Summit County	29,736	30,048	31,279	32,236	34,073	1,837	5.7%	4,025	13.4%	4.3%	1.43%
Tooele County	40,735	41,549	44,431	46,208	47,832	1,624	3.5%	6,283	15.1%	4.8%	2.01%
Uintah County	25,224	25,297	26,049	25,984	26,019	35	0.1%	722	2.9%	0.9%	1.09%
Utah County	368,536	371,894	385,692	398,056	410,768	12,712	3.2%	38,874	10.5%	3.4%	17.22%
Wasatch County	15,215	15,433	15,947	16,847	17,368	521	3.1%	1,935	12.5%	4.0%	0.73%
Washington County	90,354	91,104	95,584	100,611	105,702	5,091	5.1%	14,598	16.0%	5.1%	4.43%
Wayne County	2,509	2,515	2,509	2,504	2,487	-17	-0.7%	-28	-1.1%	-0.4%	0.10%
Weber County	196,533	197,541	200,567	203,377	205,882	2,505	1.2%	8,341	4.2%	1.4%	8.63%
MCD											
Bear River	136,097	136,712	138,600	141,322	144,276	2,954	2.1%	7,564	5.5%	1.8%	6.05%
Central	66,192	66,506	67,208	67,673	67,466	-207	-0.3%	960	1.4%	0.5%	2.83%
Mountainland	413,487	417,375	432,918	447,139	462,208	15,069	3.4%	44,833	10.7%	3.5%	19.38%
Southeastern	54,180	54,075	52,817	53,082	52,740	-342	-0.6%	-1,335	-2.5%	-0.8%	2.21%
Southwestern	140,919	142,006	147,369	152,960	158,767	5,807	3.8%	16,761	11.8%	3.8%	6.66%
Uintah Basin	40,516	40,627	41,639	41,756	41,637	-119	-0.3%	1,010	2.5%	0.8%	1.75%
Wasatch Front	1,381,778	1,389,252	1,415,419	1,434,830	1,458,264	23,435	1.6%	69,012	5.0%	1.6%	61.13%
State of Utah	2,233,169	2,246,553	2,295,971	2,338,761	2,385,358	46,597	2.0%	138,805	6.2%	2.0%	100.00%

Notes:

1) Totals may not add due to rounding.
2) AARC is the Average Annual Rate of Change

3) The MCDs are multi-county districts and they divided as follows: Bear River MCD: Box Elder, Cache, and Rich counties; Central MCD: Juab, Millard, Piute, Sanpete, Sevier, and Wayne counties; Mountainland MCD: Summit, Utah, and Wasatch counties; Southe

Sources:

1) April 1, 2000: U.S. Census Bureau
2) July 2000-2003: Utah Population Estimates Committee

Table 14
Total Fertility Rates for Utah and the U.S.

Year	Utah	U.S.	Year	Utah	U.S.
1960	4.30	3.61	1982	2.99	1.83
1961	4.24	3.56	1983	2.83	1.80
1962	4.18	3.42	1984	2.74	1.81
1963	3.87	3.30	1985	2.69	1.84
1964	3.55	3.17	1986	2.59	1.84
1965	3.24	2.88	1987	2.48	1.87
1966	3.17	2.67	1988	2.52	1.93
1967	3.12	2.53	1989	2.55	2.01
1968	3.04	2.43	1990	2.61	2.07
1969	3.09	2.42	1991	2.59	2.07
1970	3.30	2.43	1992	2.57	2.07
1971	3.14	2.25	1993	2.50	2.05
1972	2.88	2.00	1994	2.49	2.05
1973	2.84	1.86	1995	2.52	2.06
1974	2.91	1.84	1996	2.55	2.06
1975	2.96	1.77	1997	2.61	2.06
1976	3.19	1.74	1998	2.65	2.07
1977	3.30	1.79	1999	2.68	2.07
1978	3.25	1.76	2000	2.68	2.07
1979	3.28	1.81	2001	2.68	2.07
1980	3.14	1.85	2002	2.68	2.08
1981	3.06	1.82	2003	2.68	2.08

Note: Utah fertility rates were revised beginning in 1990.

Source: Governor's Office of Planning and Budget, UPED model system.

Table 15
U.S. Census Bureau National and State Population Counts: 2002 and 2003 Population Estimates

Area	July 1, 2002 Population	2002 Rank	July 1, 2003 Population	2003 Rank	2002-2003 Absolute Change	2002-2003 Percent Change	Rank Based on Percent Change
U.S.	287,973,924	NA	290,809,777	NA	2,835,853	0.98%	NA
Region							
Northeast	54,172,792	4	54,399,446	4	226,654	0.42%	4
Midwest	65,098,828	3	65,406,134	3	307,306	0.47%	3
South	103,197,968	1	104,538,348	1	1,340,380	1.30%	2
West	65,504,336	2	66,465,849	2	961,513	1.47%	1
States							
Alabama	4,478,896	23	4,500,752	23	21,856	0.49%	38
Alaska	641,482	47	648,818	47	7,336	1.14%	14
Arizona	5,441,125	19	5,580,811	18	139,686	2.57%	2
Arkansas	2,706,268	33	2,725,714	32	19,446	0.72%	26
California	35,001,986	1	35,484,453	1	482,467	1.38%	9
Colorado	4,501,051	22	4,550,688	22	49,637	1.10%	16
Connecticut	3,458,587	29	3,483,372	29	24,785	0.72%	27
Delaware	805,945	45	817,491	45	11,546	1.43%	7
Florida	16,691,701	4	17,019,068	4	327,367	1.96%	3
Georgia	8,544,005	10	8,684,715	9	140,710	1.65%	6
Hawaii	1,240,663	42	1,257,608	42	16,945	1.37%	10
Idaho	1,343,124	39	1,366,332	39	23,208	1.73%	5
Illinios	12,586,447	5	12,653,544	5	67,097	0.53%	35
Indiana	6,156,913	14	6,195,643	14	38,730	0.63%	31
Iowa	2,935,840	30	2,944,062	30	8,222	0.28%	47
Kansas	2,711,769	32	2,723,507	33	11,738	0.43%	42
Kentucky	4,089,822	26	4,117,827	26	28,005	0.68%	29
Louisiana	4,476,192	24	4,496,334	24	20,142	0.45%	40
Maine	1,294,894	40	1,305,728	40	10,834	0.84%	22
Maryland	5,450,525	18	5,508,909	19	58,384	1.07%	17
Massachusetts	6,421,800	13	6,433,422	13	11,622	0.18%	49
Michigan	10,043,221	8	10,079,985	8	36,764	0.37%	43
Minnesota	5,024,791	21	5,059,375	21	34,584	0.69%	28
Mississippi	2,866,733	31	2,881,281	31	14,548	0.51%	37
Missouri	5,669,544	17	5,704,484	17	34,940	0.62%	33
Montana	910,372	44	917,621	44	7,249	0.80%	23
Nebraska	1,727,564	38	1,739,291	38	11,727	0.68%	30
Nevada	2,167,455	35	2,241,154	35	73,699	3.40%	1
New Hampshire	1,274,405	41	1,287,687	41	13,282	1.04%	20
New Jersey	8,575,252	9	8,638,396	10	63,144	0.74%	24
New Mexico	1,852,044	36	1,874,614	36	22,570	1.22%	13
New York	19,134,293	3	19,190,115	3	55,822	0.29%	46
North Carolina	8,305,820	11	8,407,248	11	101,428	1.22%	12
North Dakota	633,911	48	633,837	48	-74	-0.01%	50
Ohio	11,408,699	7	11,435,798	7	27,099	0.24%	48
Oklahoma	3,489,700	28	3,511,532	28	21,832	0.63%	32
Oregon	3,520,355	27	3,559,596	27	39,241	1.11%	15
Pennsylvania	12,328,827	6	12,365,455	6	36,628	0.30%	45
Rhode Island	1,068,326	43	1,076,164	43	7,838	0.73%	25
South Carolina	4,103,770	25	4,147,152	25	43,382	1.06%	19
South Dakota	760,437	46	764,309	46	3,872	0.51%	36
Tennessee	5,789,796	16	5,841,748	16	51,952	0.90%	21
Texas	21,736,925	2	22,118,509	2	381,584	1.76%	4
Utah	2,318,789	34	2,351,467	34	32,678	1.41%	8
Vermont	616,408	49	619,107	49	2,699	0.44%	41
Virginia	7,287,829	12	7,386,330	12	98,501	1.35%	11
Washington	6,067,060	15	6,131,445	15	64,385	1.06%	18
West Virginia	1,804,884	37	1,810,354	37	5,470	0.30%	44
Wisconsin	5,439,692	20	5,472,299	20	32,607	0.60%	34
Wyoming	498,830	50	501,242	50	2,412	0.48%	39

Source: U.S. Census Bureau, Population Division

Table 16
Rankings of States by Selected Age Groups as a Percent of Total Population: July 1, 2002

Rank	All Ages: State	All Ages: Population	Under Age 5: State	Under Age 5: Population	Under Age 5: Percent of Total	Ages 5-17: State	Ages 5-17: Population	Ages 5-17: Percent of Total	Ages 18-64: State	Ages 18-64: Population	Ages 18-64: Percent of Total	Ages 65+: State	Ages 65+: Population	Ages 65+: Percent of Total	Census 2000 Median Age: State	Census 2000 Median Age: Age
	United States	288,368,698	United States	19,609,147	6.8%	United States	53,285,336	18.5%	United States	179,872,304	62.4%	United States	35,601,911	12.3%	United States	35.3
1	California	35,116,033	**Utah**	**218,989**	**9.5%**	Alaska	142,951	22.2%	Colorado	2,920,952	64.8%	Florida	2,854,838	17.1%	**Utah**	**27.1**
2	Texas	21,779,893	Texas	1,718,456	7.9%	**Utah**	**494,023**	**21.3%**	Kentucky	2,651,827	64.8%	Pennsylvania	1,908,962	15.5%	Texas	32.3
3	New York	19,157,532	Arizona	419,740	7.7%	Idaho	270,489	20.2%	Vermont	397,689	64.5%	West Virginia	275,974	15.3%	Alaska	32.4
4	Florida	16,713,149	Alaska	49,477	7.7%	Texas	4,383,860	20.1%	Virginia	4,696,693	64.4%	North Dakota	94,076	14.8%	Idaho	33.2
5	Illinios	12,600,620	Georgia	648,667	7.6%	New Mexico	368,383	19.9%	Maine	829,023	64.0%	Iowa	432,785	14.7%	California	33.3
6	Pennsylvania	12,335,091	Idaho	99,950	7.5%	California	6,907,398	19.7%	Alaska	412,158	64.0%	Maine	186,383	14.4%	Georgia	33.4
7	Ohio	11,421,267	Nevada	160,805	7.4%	Arizona	1,057,116	19.4%	Georgia	5,478,181	64.0%	Rhode Island	152,286	14.2%	Mississippi	33.8
8	Michigan	10,050,446	Mississippi	209,456	7.3%	Louisiana	862,722	19.2%	South Carolina	2,624,764	63.9%	South Dakota	108,322	14.2%	Louisiana	34.0
9	New Jersey	8,590,300	California	2,544,993	7.2%	Mississippi	551,291	19.2%	Washington	3,878,104	63.9%	Arkansas	376,387	13.9%	Arizona	34.2
10	Georgia	8,560,310	Louisiana	322,952	7.2%	South Dakota	144,746	19.0%	New Hampshire	814,108	63.8%	Connecticut	472,314	13.6%	Colorado	34.3
11	North Carolina	8,320,146	New Mexico	132,123	7.1%	Michigan	1,906,678	19.0%	Massachusetts	4,100,766	63.8%	Montana	122,806	13.5%	New Mexico	34.6
12	Virginia	7,293,542	Colorado	320,757	7.1%	Nevada	411,785	18.9%	Wyoming	317,137	63.6%	Massachusetts	863,695	13.4%	Illinois	34.7
13	Massachusetts	6,427,801	Illinios	889,948	7.1%	Indiana	1,165,512	18.9%	Delaware	512,199	63.4%	Nebraska	232,134	13.4%	Nevada	35.0
14	Indiana	6,159,068	North Carolina	585,105	7.0%	Georgia	1,619,810	18.9%	Maryland	3,461,513	63.4%	Hawaii	166,910	13.4%	Indiana	35.2
15	Washington	6,068,996	Indiana	429,345	7.0%	Illinios	2,364,575	18.8%	Rhode Island	678,191	63.4%	Missouri	757,197	13.3%	Kansas	35.2
16	Tennessee	5,797,289	Kansas	187,892	6.9%	Connecticut	649,242	18.8%	Tennessee	3,673,451	63.4%	Ohio	1,513,372	13.3%	Nebraska	35.3
17	Missouri	5,672,579	Oklahoma	238,637	6.8%	Kansas	508,627	18.7%	North Carolina	5,252,915	63.1%	Oklahoma	460,459	13.2%	North Carolina	35.3
18	Maryland	5,458,137	Nebraska	117,787	6.8%	Nebraska	321,606	18.6%	Oregon	2,222,440	63.1%	Alabama	588,542	13.1%	Washington	35.3
19	Arizona	5,456,453	Arkansas	183,668	6.8%	Minnesota	933,130	18.6%	West Virginia	1,136,728	63.1%	Kansas	355,094	13.1%	Minnesota	35.4
20	Wisconsin	5,441,196	Hawaii	83,507	6.7%	Maryland	1,014,380	18.6%	Minnesota	3,165,854	63.1%	Delaware	105,488	13.1%	South Carolina	35.4
21	Minnesota	5,019,720	Maryland	365,545	6.7%	Ohio	2,115,374	18.5%	New York	12,070,771	63.0%	New Jersey	1,121,197	13.1%	Michigan	35.5
22	Colorado	4,506,542	Ohio	764,553	6.7%	Wyoming	92,113	18.5%	Hawaii	782,474	62.9%	Wisconsin	706,418	13.0%	Oklahoma	35.5
23	Alabama	4,486,508	South Dakota	50,879	6.7%	New Hampshire	234,964	18.4%	Montana	570,327	62.7%	New York	2,473,510	12.9%	South Dakota	35.6
24	Louisiana	4,482,646	Alabama	298,697	6.7%	Colorado	830,361	18.4%	Nevada	1,360,646	62.6%	Arizona	701,243	12.9%	Virginia	35.7
25	South Carolina	4,107,183	Virginia	485,338	6.7%	Washington	1,116,852	18.4%	California	21,946,806	62.5%	Vermont	79,241	12.9%	Alabama	35.8
26	Kentucky	4,092,891	Tennessee	383,745	6.6%	Wisconsin	999,680	18.4%	Wisconsin	3,396,714	62.4%	Oregon	443,968	12.6%	Kentucky	35.9
27	Oregon	3,521,515	New Jersey	567,489	6.6%	Arkansas	493,854	18.2%	Illinios	7,846,848	62.3%	Kentucky	509,476	12.4%	New York	35.9
28	Oklahoma	3,493,714	Michigan	663,586	6.6%	Oklahoma	634,923	18.2%	Alabama	2,790,858	62.2%	Tennessee	719,177	12.4%	Tennessee	35.9
29	Connecticut	3,460,503	Washington	396,508	6.5%	Missouri	1,030,121	18.2%	New Jersey	5,341,712	62.2%	Indiana	757,451	12.3%	Arkansas	36.0
30	Iowa	2,936,760	South Carolina	266,500	6.5%	New Jersey	1,559,902	18.2%	Michigan	6,248,262	62.2%	Michigan	1,231,920	12.3%	Delaware	36.0
31	Mississippi	2,871,782	Missouri	367,340	6.5%	Alabama	808,411	18.0%	Texas	13,524,681	62.1%	South Carolina	503,256	12.3%	Maryland	36.0
32	Kansas	2,715,884	Connecticut	223,611	6.5%	Montana	163,527	18.0%	Missouri	3,517,921	62.0%	Mississippi	346,251	12.1%	Wisconsin	36.0
33	Arkansas	2,710,079	Oregon	226,208	6.4%	Oregon	628,899	17.9%	North Dakota	393,222	62.0%	North Carolina	998,391	12.0%	Missouri	36.1
34	**Utah**	**2,316,256**	New York	1,228,144	6.4%	North Carolina	1,483,735	17.8%	Louisiana	2,776,526	61.9%	Minnesota	601,741	12.0%	Hawaii	36.2
35	Nevada	2,173,491	Minnesota	318,995	6.4%	Virginia	1,294,070	17.7%	Oklahoma	2,159,695	61.8%	New Hampshire	152,577	12.0%	North Dakota	36.2
36	New Mexico	1,855,059	Delaware	51,293	6.4%	New York	3,385,107	17.7%	Indiana	3,806,760	61.8%	New Mexico	221,454	11.9%	Ohio	36.2
37	West Virginia	1,801,873	Wisconsin	338,384	6.2%	Tennessee	1,020,916	17.6%	Ohio	7,027,968	61.5%	Illinios	1,499,249	11.9%	Wyoming	36.2
38	Nebraska	1,729,180	Florida	1,035,177	6.2%	Iowa	517,074	17.6%	Iowa	1,805,930	61.5%	Wyoming	59,222	11.9%	Oregon	36.3
39	Idaho	1,341,131	Kentucky	253,219	6.2%	Vermont	107,981	17.5%	Mississippi	1,764,784	61.5%	Louisiana	520,446	11.6%	Massachusetts	36.5
40	Maine	1,294,464	Iowa	180,971	6.2%	Pennsylvania	2,151,331	17.4%	Pennsylvania	7,562,677	61.3%	Maryland	616,699	11.3%	Iowa	36.6
41	New Hampshire	1,275,056	Wyoming	30,231	6.1%	North Dakota	110,287	17.4%	Kansas	1,664,271	61.3%	Idaho	151,141	11.3%	New Jersey	36.7
42	Hawaii	1,244,898	Massachusetts	387,614	6.0%	South Carolina	712,663	17.4%	Nebraska	1,057,653	61.2%	Virginia	817,441	11.2%	Rhode Island	36.7
43	Rhode Island	1,069,725	Montana	52,793	5.8%	Delaware	138,405	17.1%	Connecticut	2,115,336	61.1%	Washington	677,532	11.2%	New Hampshire	37.1
44	Montana	909,453	Pennsylvania	712,121	5.8%	Florida	2,847,094	17.0%	Arkansas	1,656,170	61.1%	Nevada	240,255	11.1%	Connecticut	37.4
45	Delaware	807,385	North Dakota	36,525	5.8%	Hawaii	212,007	17.0%	Idaho	819,551	61.1%	California	3,716,836	10.6%	Montana	37.5
46	South Dakota	761,063	New Hampshire	73,407	5.8%	Massachusetts	1,075,726	16.7%	New Mexico	1,133,099	61.1%	Texas	2,152,896	9.9%	Vermont	37.7
47	Alaska	643,786	Rhode Island	60,340	5.6%	Rhode Island	178,908	16.7%	**Utah**	**1,404,203**	**60.6%**	Colorado	434,472	9.6%	Pennsylvania	38.0
48	North Dakota	634,110	West Virginia	96,979	5.4%	Kentucky	678,369	16.6%	Arizona	3,278,354	60.1%	Georgia	813,652	9.5%	Maine	38.6
49	Vermont	616,592	Vermont	31,681	5.1%	Maine	213,945	16.5%	South Dakota	457,116	60.1%	**Utah**	**199,041**	**8.6%**	Florida	38.7
50	Wyoming	498,703	Maine	65,113	5.0%	West Virginia	292,192	16.2%	Florida	9,976,040	59.7%	Alaska	39,200	6.1%	West Virginia	38.9

Note: Totals may differ in this table from other tables in this report due to different release dates or data sources.

Source: U.S. Census Bureau, Population Division

Table 17
Dependency Ratios for States: April 1, 2000

Rank	State	Preschool-Age (under age 5) per 100 of Working Age	State	School-Age (5-17) per 100 of Working Age	State	Retirement Age (65 & over) per 100 of Working Age	State	Total Non-Working Age per 100 of Working Age
	United States	11.0	United States	30.5	United States	20.1	United States	61.7
1	Utah	15.8	Utah	38.5	Florida	29.5	South Dakota	70.0
2	Texas	12.6	Alaska	35.7	Pennsylvania	25.8	Utah	68.6
3	Idaho	12.5	Idaho	34.8	Iowa	24.8	Florida	67.7
4	Arizona	12.4	New Mexico	34.4	West Virginia	24.5	Iowa	66.6
5	New Mexico	11.9	South Dakota	34.1	North Dakota	24.4	Nebraska	66.3
6	Alaska	11.9	Mississippi	33.1	South Dakota	24.4	Idaho	66.1
7	Mississippi	11.8	Texas	33.1	Rhode Island	23.5	Kansas	66.0
8	California	11.8	Louisiana	33.0	Maine	23.2	North Dakota	66.0
9	Kansas	11.7	Nebraska	32.4	Arkansas	23.1	Arizona	65.7
10	Louisiana	11.6	Kansas	32.4	Nebraska	22.6	New Mexico	65.6
11	Nevada	11.5	California	32.2	Connecticut	22.5	Arkansas	65.1
12	South Dakota	11.5	Wyoming	31.9	Missouri	22.1	Pennsylvania	65.1
13	Illinios	11.4	Arizona	31.8	Kansas	22.0	Mississippi	64.8
14	Nebraska	11.4	Montana	31.8	Montana	21.9	Oklahoma	64.1
15	Georgia	11.4	Minnesota	31.5	Oklahoma	21.7	Missouri	64.0
16	Indiana	11.3	Michigan	31.4	Ohio	21.7	Montana	63.7
17	Oklahoma	11.2	North Dakota	31.4	Arizona	21.6	Louisiana	63.6
18	Arkansas	11.2	Oklahoma	31.2	Massachusetts	21.6	Ohio	63.2
19	Michigan	11.0	Wisconsin	31.2	New Jersey	21.4	Wisconsin	62.9
20	Ohio	10.9	Iowa	31.0	Wisconsin	21.3	Connecticut	62.7
21	Minnesota	10.8	Missouri	31.0	Hawaii	21.3	Michigan	62.3
22	Missouri	10.8	Illinios	30.9	Alabama	21.1	Alabama	62.1
23	New Jersey	10.8	Arkansas	30.8	Delaware	20.9	Indiana	62.0
24	Alabama	10.8	Indiana	30.7	New York	20.7	Minnesota	61.9
25	Iowa	10.7	Ohio	30.7	Oregon	20.5	Illinios	61.8
26	Colorado	10.7	Alabama	30.2	Vermont	20.2	Rhode Island	61.8
27	Connecticut	10.7	Washington	30.1	Indiana	20.1	Texas	61.7
28	Washington	10.6	Georgia	30.1	Michigan	19.9	New Jersey	61.4
29	Maryland	10.6	New Hampshire	30.1	Mississippi	19.9	Maine	61.3
30	Delaware	10.6	Maryland	30.0	Kentucky	19.9	California	61.1
31	North Carolina	10.5	South Carolina	29.6	Tennessee	19.6	Delaware	60.8
32	South Carolina	10.5	Vermont	29.6	Minnesota	19.6	Wyoming	60.7
33	New York	10.5	Connecticut	29.5	Illinios	19.5	Hawaii	60.4
34	Kentucky	10.5	Pennsylvania	29.5	New Mexico	19.3	New York	60.3
35	Tennessee	10.4	Delaware	29.4	South Carolina	19.3	West Virginia	60.2
36	Oregon	10.4	New Jersey	29.2	New Hampshire	19.0	Oregon	60.1
37	Wisconsin	10.4	Oregon	29.2	North Carolina	18.9	South Carolina	59.4
38	Hawaii	10.4	Maine	29.2	Louisiana	18.9	Massachusetts	59.2
39	North Dakota	10.2	New York	29.1	Wyoming	18.8	Kentucky	59.0
40	Virginia	10.2	Nevada	28.9	Idaho	18.7	New Hampshire	58.8
41	Wyoming	10.1	Colorado	28.8	Maryland	17.9	Vermont	58.6
42	Massachusetts	10.0	Hawaii	28.8	Washington	17.8	Tennessee	58.6
43	Montana	10.0	Kentucky	28.7	Virginia	17.4	Maryland	58.5
44	Florida	9.9	Tennessee	28.5	Nevada	17.3	Washington	58.5
45	Rhode Island	9.9	Rhode Island	28.4	California	17.1	Nevada	57.6
46	Pennsylvania	9.8	Florida	28.3	Texas	16.1	North Carolina	57.3
47	New Hampshir	9.7	Virginia	28.1	Georgia	15.0	Alaska	56.5
48	West Virginia	9.0	North Carolina	27.8	Colorado	14.9	Georgia	56.5
49	Maine	8.9	Massachusetts	27.6	Utah	14.4	Virginia	55.6
50	Vermont	8.9	West Virginia	26.6	Alaska	8.9	Colorado	54.5

Source: U.S. Census Bureau

Table 18
Housing Units, Households, and Persons Per Household by State: 1990 and 2000 Decennial Census (Thousands)

State	April 1, 1990				April 1, 2000				1990-2000 Percent Change		
	Total Housing Units	Total Households	Persons per Household	Persons per Household Rank	Total Housing Units	Total Households	Persons per Household	Persons per Household Rank	Total Housing Units	Total Households	Persons per Household
United States	102,262	91,946	2.63		115,905	105,480	2.59		13.3%	14.7%	-1.6%
Alabama	1,670	1,507	2.62	18	1,964	1,737	2.49	32	17.6%	15.3%	-5.0%
Alaska	233	189	2.80	3	261	222	2.74	4	12.0%	17.5%	-2.2%
Arizona	1,659	1,369	2.62	18	2,189	1,901	2.64	9	31.9%	38.9%	0.8%
Arkansas	1,001	891	2.57	31	1,173	1,043	2.49	32	17.2%	17.1%	-3.2%
California	11,183	10,381	2.79	4	12,214	11,503	2.87	3	9.2%	10.8%	2.7%
Colorado	1,477	1,282	2.51	49	1,808	1,658	2.53	20	22.4%	29.3%	0.9%
Connecticut	1,321	1,230	2.59	26	1,386	1,302	2.53	20	4.9%	5.9%	-2.3%
Delaware	290	247	2.61	21	343	299	2.54	18	18.3%	21.1%	-2.7%
Florida	6,100	5,135	2.46	50	7,303	6,338	2.46	44	19.7%	23.4%	0.0%
Georgia	2,638	2,366	2.66	13	3,282	3,006	2.65	8	24.4%	27.0%	-0.5%
Hawaii	390	356	3.01	2	461	403	2.92	2	18.2%	13.2%	-2.8%
Idaho	413	361	2.73	7	528	470	2.69	6	27.8%	30.2%	-1.5%
Illinois	4,506	4,202	2.65	15	4,886	4,592	2.63	10	8.4%	9.3%	-0.8%
Indiana	2,246	2,065	2.61	21	2,532	2,336	2.53	20	12.7%	13.1%	-2.9%
Iowa	1,144	1,064	2.52	47	1,233	1,149	2.46	44	7.8%	8.0%	-2.2%
Kansas	1,044	945	2.53	41	1,131	1,038	2.51	27	8.3%	9.8%	-1.0%
Kentucky	1,507	1,380	2.60	25	1,751	1,591	2.47	42	16.2%	15.3%	-4.9%
Louisiana	1,716	1,499	2.74	6	1,847	1,656	2.62	13	7.6%	10.5%	-4.4%
Maine	587	465	2.56	34	652	518	2.39	50	11.1%	11.4%	-6.6%
Maryland	1,892	1,749	2.67	12	2,145	1,981	2.61	15	13.4%	13.3%	-2.2%
Massachusetts	2,473	2,247	2.58	29	2,622	2,444	2.51	27	6.0%	8.8%	-2.8%
Michigan	3,848	3,419	2.66	13	4,234	3,786	2.56	17	10.0%	10.7%	-3.6%
Minnesota	1,849	1,648	2.58	29	2,066	1,895	2.52	26	11.7%	15.0%	-2.5%
Mississippi	1,010	911	2.75	5	1,162	1,046	2.63	10	15.0%	14.8%	-4.3%
Missouri	2,199	1,961	2.53	41	2,242	2,195	2.48	38	2.0%	11.9%	-2.2%
Montana	361	306	2.53	41	413	359	2.45	46	14.4%	17.3%	-3.3%
Nebraska	661	602	2.54	39	723	666	2.49	32	9.4%	10.6%	-2.0%
Nevada	519	466	2.53	41	827	751	2.62	13	59.3%	61.2%	3.7%
New Hampshire	504	411	2.62	18	547	475	2.53	20	8.5%	15.6%	-3.4%
New Jersey	3,075	2,795	2.70	10	3,310	3,065	2.68	7	7.6%	9.7%	-0.9%
New Mexico	632	543	2.74	6	781	678	2.63	10	23.6%	24.9%	-4.0%
New York	7,227	6,639	2.63	16	7,679	7,057	2.61	15	6.3%	6.3%	-0.7%
North Carolina	2,818	2,517	2.54	39	3,524	3,132	2.49	32	25.1%	24.4%	-2.1%
North Dakota	276	241	2.55	36	290	257	2.41	48	5.1%	6.6%	-5.5%
Ohio	4,372	4,088	2.59	26	4,783	4,446	2.49	32	9.4%	8.8%	-3.9%
Oklahoma	1,406	1,206	2.53	41	1,514	1,342	2.49	32	7.7%	11.3%	-1.6%
Oregon	1,194	1,103	2.52	47	1,453	1,334	2.51	27	21.7%	20.9%	-0.2%
Pennsylvania	4,938	4,496	2.57	31	5,250	4,777	2.48	38	6.3%	6.3%	-3.3%
Rhode Island	415	378	2.55	36	440	408	2.47	42	6.0%	7.9%	-3.2%
South Carolina	1,424	1,258	2.68	11	1,754	1,534	2.53	20	23.2%	21.9%	-5.5%
South Dakota	292	259	2.59	26	323	290	2.50	30	10.6%	12.0%	-3.4%
Tennessee	2,026	1,854	2.56	34	2,439	2,233	2.48	38	20.4%	20.4%	-3.2%
Texas	7,009	6,071	2.73	7	8,158	7,393	2.74	4	16.4%	21.8%	0.2%
Utah	598	537	3.15	1	769	701	3.13	1	28.6%	30.5%	-0.7%
Vermont	271	211	2.57	31	294	241	2.44	47	8.5%	14.2%	-5.0%
Virginia	2,497	2,292	2.61	21	2,904	2,699	2.54	18	16.3%	17.8%	-2.6%
Washington	2,032	1,872	2.53	41	2,451	2,271	2.53	20	20.6%	21.3%	-0.2%
West Virginia	781	689	2.55	36	845	736	2.40	49	8.2%	6.8%	-5.9%
Wisconsin	2,056	1,822	2.61	21	2,321	2,085	2.50	30	12.9%	14.4%	-4.3%
Wyoming	203	169	2.63	16	224	194	2.48	38	10.3%	14.8%	-5.6%

Note: Numbers may not sum due to rounding.

Source: U.S. Census Bureau

Table 19
Total County Population by Race in Utah: 2002

Geographic Area		Total Population by Race							
		Single Race						Two or More Races	
	Total Population	Total	White	Black/ African American	American Indian and Alaska Native	Asian	Native Hawaiian and Other Pacific Islander	Total	Hispanic Origin (of any race)
State	2,316,256	2,282,730	2,168,114	21,574	32,886	42,144	18,012	33,526	224,304
Beaver	6,099	6,058	5,900	18	88	52	-	41	375
Box Elder	44,032	43,641	42,640	99	409	481	12	391	2,869
Cache	93,695	92,847	89,775	461	608	1,800	203	848	6,795
Carbon	19,879	19,767	19,354	85	247	75	6	112	1,962
Daggett	886	882	862	11	9	-	-	4	48
Davis	249,224	245,124	235,432	3,050	1,560	4,300	782	4,100	14,283
Duchesne	14,844	14,603	13,733	28	799	41	2	241	536
Emery	10,626	10,547	10,381	26	90	43	7	79	515
Garfield	4,584	4,571	4,450	9	90	22	-	13	142
Grand	8,735	8,670	8,182	29	436	23	-	65	457
Iron	35,204	34,826	33,368	176	845	310	127	378	1,457
Juab	8,569	8,567	8,423	12	101	28	3	2	211
Kane	6,121	6,087	5,957	3	110	17	-	34	141
Millard	12,446	12,375	12,063	19	193	74	26	71	961
Morgan	7,380	7,323	7,296	5	16	6	-	57	95
Piute	1,361	1,361	1,343	2	15	1	-	-	64
Rich	1,966	1,964	1,955	-	-	9	-	2	34
Salt Lake	919,308	904,173	844,068	11,642	9,261	26,144	13,058	15,135	120,192
San Juan	13,781	13,656	5,650	23	7,955	27	1	125	455
Sanpete	23,392	23,196	22,599	104	243	112	138	196	1,569
Sevier	19,091	18,980	18,453	66	392	55	14	111	579
Summit	31,857	31,652	31,058	97	141	354	2	205	2,781
Tooele	46,032	45,353	43,509	600	821	322	101	679	4,245
Uintah	26,155	25,891	23,227	40	2,555	59	10	264	961
Utah	387,817	381,741	370,613	1,497	2,494	4,527	2,610	6,076	28,755
Wasatch	16,996	16,811	16,615	39	95	54	8	185	999
Washington	99,442	98,183	95,337	288	1,548	494	516	1,259	5,442
Wayne	2,567	2,562	2,540	4	7	2	9	5	58
Weber	204,167	201,319	193,331	3,141	1,758	2,712	377	2,848	27,323

Note: As a result of the revised standards for collecting data on race and ethnicity issued by the U.S. Office of Management and Budget in 1997, the federal government treats Hispanic origin and race as separate and distinct concepts. Thus Hispanics may be of any race. Also, respondents were allowed to select more than one race. Respondents that selected more than one race are included in the “Two or More Races” category. For intercensal population estimates, the "Some Other Race" category was omitted.

Source: U.S. Census Bureau, Population Division

Table 20
Utah Net In-Migration by State

State	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	1999-00	2000-01	2001-02	1985-2002
Alabama	-20	-107	-65	-209	-71	-94	-62	-81	60	136	75	69	-60	-113	-3	-51	-51	-70	-717
Alaska	-72	33	355	130	47	-93	-43	-29	15	128	71	46	24	0	115	34	-4	-4	753
Arizona	-2,403	-2,544	-3,112	-2,366	-1,112	50	429	199	464	-44	-978	-742	-220	-752	-1,281	-1,594	-1,504	-1,603	-19,113
Arkansas	-25	71	-314	-106	61	29	40	35	-22	16	-17	-64	-67	-15	-151	-29	-89	-68	-715
California	-4,277	-3,821	-5,003	-4,094	-2,109	1,212	4,853	7,884	10,956	12,125	9,265	7,380	5,121	2,518	1,212	1,826	464	1,046	46,558
Colorado	-262	-195	-261	-394	-412	25	-87	153	-308	186	-153	-123	-49	-806	-1,152	-1,033	-1,216	-792	-6,879
Connecticut	-40	-24	-117	-77	-54	73	81	137	123	150	104	39	80	22	-64	-38	-47	-124	224
Delaware	22	4	-76	-47	-65	20	-1	22	20	-5	13	41	36	-28	-7	-8	-10	1	-68
Dist. of Col.	-33	-29	-9	-12	-13	-2	-8	-23	-27	1	11	-5	3	-9	-22	-17	-29	1	-222
Florida	-366	-372	-508	-567	-280	-297	274	249	342	254	246	97	-45	-296	-267	-356	-259	-170	-2,321
Georgia	-146	-189	-349	-160	-102	-51	144	-86	-199	-189	-156	-126	-53	-106	62	-216	-137	9	-2,050
Hawaii	27	174	3	-2	39	-2	217	180	291	413	146	327	289	293	318	356	122	-58	3,133
Idaho	1,620	1,924	2,003	915	251	76	18	-429	9	-186	-270	-248	38	-395	-444	-1,035	-78	-282	3,487
Illinois	77	95	-135	-97	48	-43	145	98	248	261	393	43	253	249	-15	-230	6	35	1,431
Indiana	-40	-28	-12	-226	-105	9	-12	34	66	54	23	-68	40	-108	-79	-71	-109	-107	-739
Iowa	196	99	96	-43	40	-65	-24	-37	-20	-94	-31	-60	-96	-110	-23	-89	-135	-52	-448
Kansas	9	35	-39	-66	79	89	-69	-52	121	67	11	-56	-3	-7	-106	-127	-97	-133	-344
Kentucky	-1	-7	-126	-98	2	-82	-64	-25	17	-5	44	-106	-48	-33	-70	-67	-93	-89	-851
Louisiana	18	-7	200	-27	121	56	33	64	192	64	-38	106	45	-13	133	68	35	-53	997
Maine	-27	-72	-68	-90	-17	17	38	50	51	130	33	-54	42	0	-11	-4	-16	-69	-67
Maryland	-168	-158	-215	-304	-207	102	41	223	139	155	90	125	51	-63	-87	-79	-129	-304	-788
Massachusetts	-160	-112	-251	-307	-182	89	162	283	49	122	141	-58	-65	-116	-217	-251	-136	-138	-1,147
Michigan	0	-266	-189	-117	-97	-71	29	65	160	84	-62	128	5	-21	-35	-45	-185	-87	-704
Minnesota	-48	-36	-50	-161	-41	-88	154	68	-60	-91	-53	-36	115	-188	-279	-345	-242	-90	-1,471
Mississippi	-18	-9	-45	31	40	12	-36	-65	38	-42	-7	81	-22	45	-45	-34	-56	-54	-186
Missouri	-110	-205	-214	-171	-153	-60	14	217	-127	-59	-308	-200	-229	-164	-229	-277	-184	-333	-2,792
Montana	236	450	172	85	90	77	-29	-78	-61	-111	-170	7	213	86	-78	-197	-35	-130	527
Nebraska	32	-13	61	-153	-32	-221	-4	2	34	-21	-23	-6	-37	7	-89	-42	69	-44	-480
Nevada	-423	-800	-1,821	-2,614	-3,103	-2,449	-508	419	837	-71	67	-235	-653	-910	-1,024	-1,014	-960	-1,090	-16,352
New Hampshire	-27	-15	-31	-67	-70	62	152	90	110	18	-17	30	-138	-43	-68	-43	-131	0	-188
New Jersey	-88	-61	-64	-150	-25	99	150	182	290	135	361	55	31	39	-12	-14	30	132	1,090
New Mexico	-244	-444	-187	68	-433	239	68	-45	-386	89	-97	-142	94	269	-174	81	-307	71	-1,480
New York	-111	-109	-33	-142	-69	133	256	288	386	303	143	376	255	94	64	-56	-104	29	1,703
North Carolina	-74	9	-226	-195	-180	95	86	-14	-17	-69	72	-76	-36	-101	-79	-74	-99	-72	-1,050
North Dakota	71	104	112	92	93	143	100	50	57	97	15	-12	60	25	49	28	33	37	1,154
Ohio	-88	-137	-120	-159	-232	-167	61	10	106	95	-14	-70	48	94	-135	-105	-54	-246	-1,113
Oklahoma	16	-62	261	141	-41	28	5	-140	62	7	30	-244	-111	-251	-20	55	-67	-82	-413
Oregon	-162	-162	-449	-809	-790	-864	-397	-87	-406	-152	-217	-584	-504	-350	-789	-547	-486	-862	-8,617
Pennsylvania	50	-128	-238	-323	-12	9	70	73	250	226	41	45	207	45	-69	-95	-185	-104	-138
Rhode Island	10	-9	-12	-22	-14	-2	15	27	10	36	-9	4	-9	-44	12	-3	-83	15	-78
South Carolina	-14	-76	-8	-18	-64	-58	54	94	218	82	33	-50	-47	-42	-19	-169	-8	-54	-146
South Dakota	19	-48	11	46	86	52	28	15	-12	3	-62	-3	136	24	-19	48	-43	-83	198
Tennessee	-78	-109	-257	-184	-107	-25	26	-73	-38	-92	-124	-187	29	-75	0	-164	-79	-33	-1,570
Texas	-934	-773	-201	-395	-423	-295	-109	289	24	187	-93	-269	-49	-711	-738	-521	-482	-971	-6,464
Vermont	0	-10	-37	-68	9	-2	41	74	12	40	30	1	23	23	9	-12	-6	-87	40
Virginia	-239	-251	-317	-408	-197	-188	113	121	161	107	218	235	-2	-261	-409	-347	-390	-485	-2,539
Washington	-550	-818	-968	-1,204	-1,605	-1,801	-806	-585	-53	606	14	109	-367	-950	-510	-453	-781	-470	-11,192
West Virginia	-1	85	-30	-45	5	-38	-29	-16	-15	22	13	-29	27	13	0	-41	31	-16	-64
Wisconsin	99	52	-83	-47	-20	75	-65	-135	19	-68	-84	-47	-61	-55	-146	-178	-215	-53	-1,012
Wyoming	350	642	962	375	58	187	27	88	239	-38	96	272	288	54	138	135	-64	-217	3,592
Foreign	0	-361	-341	-194	272	192	906	1,725	1,728	922	1,038	779	692	680	667	962	1,044	1,004	11,715
Total	-8,397	-8,790	-12,345	-15,055	-11,096	-3,808	6,477	11,508	16,153	15,984	9,854	6,495	5,274	-2,556	-6,186	-6,478	-7,551	-7,399	-17,916

Note: The IRS area-to-area migration data provides an annual indication of migration flows among the states. Although not differing significantly, the state's official estimates provide the best indication of the net flow of migration, while the IRS data provide the only source of gross flows and of the annual origins and destinations of migrants.

Source: IRS Area-to-Area Migration Data; Statistical Information Services, IRS

Table 21
U.S. Census Bureau City Population Counts: 2001 and 2002 Population Estimates

	Census 2000	2001	2002	AARC Change 00-02
Beaver County	6,005	6,028	6,099	0.8%
Beaver city	2,454	2,461	2,501	1.0%
Milford city	1,451	1,440	1,447	-0.1%
Minersville town	817	821	829	0.7%
Balance of Beaver County	1,283	1,306	1,322	1.5%
Box Elder County	42,745	43,358	44,032	1.5%
Bear River City town	750	764	778	1.8%
Brigham City city	17,411	17,339	17,389	-0.1%
Corinne city	621	640	651	2.4%
Deweyville town	278	287	296	3.2%
Elwood town	678	673	675	-0.2%
Fielding town	448	448	450	0.2%
Garland city	1,943	1,959	1,970	0.7%
Honeyville city	1,214	1,221	1,265	2.1%
Howell town	221	227	232	2.5%
Mantua town	791	798	802	0.7%
Perry city	2,383	2,583	2,740	7.2%
Plymouth town	328	342	359	4.6%
Portage town	257	254	259	0.4%
Snowville town	177	177	177	0.0%
Tremonton city	5,592	5,894	5,996	3.5%
Willard city	1,630	1,623	1,639	0.3%
Balance of Box Elder County	8,023	8,129	8,354	2.0%
Cache County	91,391	92,111	93,695	1.3%
Amalga town	427	426	427	0.0%
Clarkston town	688	686	685	-0.2%
Cornish town	259	259	259	0.0%
Hyde Park city	2,955	2,916	2,938	-0.3%
Hyrum city	6,316	6,303	6,303	-0.1%
Lewiston city	1,877	1,860	1,862	-0.4%
Logan city	42,670	42,303	42,922	0.3%
Mendon city	898	904	938	2.2%
Millville city	1,507	1,502	1,501	-0.2%
Newton town	699	699	706	0.5%
Nibley city	2,045	2,116	2,210	4.0%
North Logan city	6,163	6,635	6,745	4.6%
Paradise town	759	755	753	-0.4%
Providence city	4,377	4,523	4,845	5.2%
Richmond city	2,051	2,045	2,043	-0.2%
River Heights city	1,496	1,490	1,490	-0.2%
Smithfield city	7,261	7,387	7,604	2.3%
Trenton town	449	450	450	0.1%
Wellsville city	2,728	2,726	2,724	-0.1%
Balance of Cache County	5,766	6,126	6,290	4.4%
Carbon County	20,422	19,779	19,879	-1.3%
East Carbon city	1,393	1,325	1,323	-2.5%
Helper city	2,025	1,925	1,923	-2.6%
Price city	8,402	8,275	8,330	-0.4%
Scofield town	28	26	26	-3.6%
Sunnyside city	404	387	389	-1.9%
Wellington city	1,666	1,592	1,596	-2.1%
Balance of Carbon County	6,504	6,249	6,292	-1.6%
Daggett County	921	907	886	-1.9%
Manila town	308	307	298	-1.6%
Balance of Daggett County	613	600	588	-2.1%
Davis County	238,994	244,330	249,224	2.1%
Bountiful city	41,301	41,415	41,270	0.0%
Centerville city	14,585	14,729	14,690	0.4%
Clearfield city	25,974	25,948	26,309	0.6%
Clinton city	12,585	13,534	14,353	6.8%
Farmington city	12,081	12,361	12,954	3.6%
Fruit Heights city	4,701	4,746	4,765	0.7%
Kaysville city	20,351	20,626	20,959	1.5%
Layton city	58,474	59,621	60,064	1.4%
North Salt Lake city	8,749	9,083	9,176	2.4%
South Weber city	4,260	4,733	5,176	10.2%
Sunset city	5,204	5,161	5,101	-1.0%
Syracuse city	9,398	10,790	12,423	15.0%
West Bountiful city	4,484	4,550	4,559	0.8%
West Point city	6,033	6,092	6,251	1.8%
Woods Cross city	6,419	6,776	7,020	4.6%
Balance of Davis County	4,395	4,165	4,154	-2.8%
Duchesne County	14,371	14,536	14,844	1.6%
Altamont town	178	177	180	0.6%
Duchesne city	1,408	1,423	1,445	1.3%
Myton city	539	544	555	1.5%
Roosevelt city	4,299	4,310	4,409	1.3%
Tabiona town	149	149	151	0.7%
Balance of Duchesne County	7,798	7,933	8,104	1.9%
Emery County	10,860	10,655	10,626	-1.1%
Castle Dale city	1,657	1,613	1,608	-1.5%
Clawson town	153	153	157	1.3%
Cleveland town	508	509	509	0.1%
Elmo town	368	368	367	-0.1%
Emery town	308	301	303	-0.8%
Ferron city	1,623	1,577	1,577	-1.4%
Green River city (pt)	868	850	846	-1.3%
Huntington city	2,131	2,091	2,084	-1.1%
Orangeville city	1,398	1,364	1,354	-1.6%
Balance of Emery County*	1,846	1,829	1,821	-0.7%
Garfield County	4,735	4,684	4,584	-1.6%
Antimony town	122	120	117	-2.1%
Boulder town	180	179	180	0.0%
Cannonville town	148	146	142	-2.0%
Escalante town	818	805	782	-2.2%
Hatch town	127	124	120	-2.8%
Henrieville town	159	156	152	-2.2%
Panguitch city	1,623	1,591	1,549	-2.3%
Tropic town	508	500	486	-2.2%
Balance of Garfield County	1,050	1,063	1,056	0.3%
Grand County	8,485	8,604	8,735	1.5%
Castle Valley town	349	348	350	0.1%
Green River city (pt)	105	108	111	2.8%
Moab city	4,779	4,803	4,852	0.8%
Balance of Grand County*	3,252	3,345	3,422	2.6%

Table 21 (Continued)
U.S. Census Bureau City Population Counts: 2001 and 2002 Population Estimates

	Census 2000	2001	2002	AARC Change 00-02
Iron County	33,779	34,506	35,204	2.1%
Brian Head town	118	115	114	-1.7%
Cedar City city	20,527	20,983	21,427	2.2%
Enoch city	3,467	3,674	3,824	5.0%
Kanarraville town	311	304	305	-1.0%
Paragonah town	470	464	464	-0.6%
Parowan city	2,565	2,546	2,549	-0.3%
Balance of Iron County	6,321	6,420	6,521	1.6%
Juab County	8,238	8,474	8,569	2.0%
Eureka city	766	771	765	-0.1%
Levan town	688	740	772	5.9%
Mona town	850	887	907	3.3%
Nephi city	4,733	4,833	4,873	1.5%
Rocky Ridge	403	407	406	0.4%
Balance of Juab County	798	836	846	3.0%
Kane County	6,046	6,012	6,121	0.6%
Alton town	134	133	135	0.4%
Big Water town	417	417	423	0.7%
Glendale town	355	350	352	-0.4%
Kanab city	3,564	3,517	3,566	0.0%
Orderville town	596	591	604	0.7%
Balance of Kane County	980	1,004	1,041	3.1%
Millard County	12,405	12,433	12,446	0.2%
Delta city	3,209	3,190	3,191	-0.3%
Fillmore city	2,253	2,230	2,220	-0.7%
Hinckley town	698	748	760	4.3%
Holden town	400	395	393	-0.9%
Kanosh town	485	480	478	-0.7%
Leamington town	217	216	215	-0.5%
Lynndyl town	134	132	131	-1.1%
Meadow town	254	251	250	-0.8%
Oak City town	650	649	647	-0.2%
Scipio town	290	292	295	0.9%
Balance of Millard County	3,815	3,850	3,866	0.7%
Morgan County	7,129	7,285	7,380	1.7%
Morgan city	2,635	2,661	2,680	0.9%
Balance of Morgan County	4,494	4,624	4,700	2.3%
Piute County	1,435	1,383	1,361	-2.6%
Circleville town	505	485	478	-2.7%
Junction town	177	171	168	-2.6%
Kingston town	142	137	134	-2.9%
Marysvale town	381	364	355	-3.5%
Balance of Piute County	230	226	226	-0.9%
Rich County	1,961	1,958	1,966	0.1%
Garden City town	357	361	365	1.1%
Laketown town	188	184	182	-1.6%
Randolph city	483	474	471	-1.3%
Woodruff town	194	191	190	-1.0%
Balance of Rich County	739	748	758	1.3%
Salt Lake County	898,387	910,507	919,308	1.2%
Alta town	370	368	367	-0.4%
Bluffdale city	4,700	4,843	4,879	1.9%
Draper city	25,220	26,587	28,829	6.9%
Herriman	1,523	2,910	4,195	66.0%
Holladay (1990 CDP)	14,561	13,558	13,524	-3.6%
Midvale city (Annexation)	27,029	27,309	27,318	0.5%
Murray city	34,024	35,131	35,055	1.5%
Riverton city	25,011	26,110	28,297	6.4%
Salt Lake City city	181,743	181,509	181,266	-0.1%
Sandy city	88,418	89,389	89,244	0.5%
South Jordan city	29,437	30,705	31,816	4.0%
South Salt Lake city (Annexation)	22,038	21,993	21,901	-0.3%
Taylorsville city (1990 CDP)	57,439	59,094	59,115	1.4%
West Jordan city	68,336	71,583	73,355	3.6%
West Valley City city	108,896	110,351	111,254	1.1%
Balance of Salt Lake County*	209,642	209,067	208,893	-0.2%
San Juan County	14,413	13,630	13,781	-2.2%
Blanding city	3,162	2,971	3,004	-2.5%
Monticello city	1,958	1,862	1,889	-1.8%
Balance of San Juan County	9,293	8,797	8,888	-2.2%
Sanpete County	22,763	23,193	23,392	1.4%
Centerfield town	1,048	1,047	1,054	0.3%
Ephraim city	4,505	4,911	4,966	5.0%
Fairview city	1,160	1,154	1,157	-0.1%
Fayette town	204	203	203	-0.2%
Fountain Green city	945	939	942	-0.2%
Gunnison city	2,394	2,394	2,401	0.1%
Manti city	3,040	3,024	3,035	-0.1%
Mayfield town	420	416	417	-0.4%
Moroni city	1,280	1,275	1,280	0.0%
Mount Pleasant city	2,707	2,695	2,704	-0.1%
Spring City city	956	951	954	-0.1%
Sterling town	235	250	251	3.3%
Wales town	219	224	224	1.1%
Balance of Sanpete County	3,650	3,710	3,804	2.1%
Sevier County	18,842	19,009	19,091	0.7%
Annabella town	603	604	604	0.1%
Aurora city	947	948	948	0.1%
Elsinore town	733	734	733	0.0%
Glenwood town	437	436	435	-0.2%
Joseph town	269	270	270	0.2%
Koosharem town	276	276	276	0.0%
Monroe city	1,845	1,846	1,844	0.0%
Redmond town	788	789	788	0.0%
Richfield city	6,847	6,873	6,873	0.2%
Salina city	2,393	2,400	2,401	0.2%
Sigurd town	430	430	429	-0.1%
Balance of Sevier County	3,274	3,403	3,490	3.2%
Summit County	29,736	30,957	31,857	3.5%
Coalville city	1,382	1,397	1,396	0.5%
Francis town	698	707	706	0.6%
Henefer town	684	700	703	1.4%
Kamas city	1,274	1,354	1,379	4.0%
Oakley town	948	991	1,003	2.9%
Park City city	7,371	7,653	7,714	2.3%
Balance of Summit County	17,379	18,155	18,956	4.4%

Table 21 (Continued)
U.S. Census Bureau City Population Counts: 2001 and 2002 Population Estimates

	Census 2000	2001	2002	AARC Change 00-02
Tooele County	40,735	43,996	46,032	6.3%
Grantsville city	6,015	6,400	6,636	5.0%
Ophir town	23	23	23	0.0%
Rush Valley town	453	473	489	3.9%
Stockton town	443	504	529	9.3%
Tooele city	22,502	24,722	25,959	7.4%
Vernon town	236	246	254	3.7%
Wendover city	1,537	1,577	1,608	2.3%
Balance of Tooele County	9,526	10,051	10,534	5.2%
Uintah County	25,224	25,728	26,155	1.8%
Ballard town	566	575	581	1.3%
Naples city	1,300	1,339	1,378	3.0%
Vernal city	7,714	7,759	7,879	1.1%
Balance of Uintah County	15,644	16,055	16,317	2.1%
Utah County	368,536	380,842	387,817	2.6%
Alpine city	7,146	7,519	7,738	4.1%
American Fork city	21,941	22,444	22,501	1.3%
Cedar Fort town	341	339	334	-1.0%
Cedar Hills town	3,094	4,004	4,522	20.9%
Draper city (pt.)	-	171	439	na
Eagle Mountain city	2,157	4,656	6,093	68.1%
Elk Ridge city	1,838	1,942	2,008	4.5%
Genola town	965	956	941	-1.3%
Goshen town	874	868	851	-1.3%
Highland city	8,172	8,904	9,724	9.1%
Lehi city	19,028	20,692	21,841	7.1%
Lindon city	8,363	8,512	8,647	1.7%
Mapleton city	5,809	5,976	6,053	2.1%
Orem city	84,324	84,709	83,662	-0.4%
Payson city	12,716	13,822	14,335	6.2%
Pleasant Grove city	23,468	23,572	23,597	0.3%
Provo city	105,166	105,495	105,170	0.0%
Salem city	4,372	4,755	4,870	5.5%
Santaquin city	4,834	5,193	5,422	5.9%
Saratoga Springs	1,003	1,667	3,157	77.4%
Spanish Fork city	20,246	21,646	22,413	5.2%
Springville city	20,424	21,005	21,544	2.7%
Vineyard town	150	147	144	-2.0%
Woodland Hills town	941	1,022	1,067	6.5%
Balance of Utah County	11,164	10,826	10,744	-1.9%
Wasatch County	15,215	16,203	16,996	5.7%
Charleston town	378	387	395	2.2%
Heber city	7,291	7,941	8,470	7.8%
Midway city	2,121	2,259	2,330	4.8%
Park City city (pt.)	-	1	1	na
Wallsburg town	274	276	279	0.9%
Balance of Wasatch County	5,151	5,339	5,521	3.5%
Washington County	90,354	94,613	99,442	4.9%
Enterprise city	1,285	1,283	1,295	0.4%
Hildale town	1,895	1,900	1,921	0.7%
Hurricane city	8,250	8,730	9,138	5.2%
Ivins town	4,450	5,055	5,554	11.7%
La Verkin city	3,392	3,455	3,529	2.0%
Leeds town	547	558	570	2.1%
New Harmony town	190	189	190	0.0%
Rockville town	247	252	257	2.0%
Santa Clara city	4,630	4,854	5,096	4.9%
Springdale town	457	473	493	3.9%
St. George city	49,663	51,637	54,049	4.3%
Toquerville town	910	917	947	2.0%
Virgin town	394	415	433	4.8%
Washington city	8,186	8,822	9,683	8.8%
Balance of Washington County	5,858	6,073	6,287	3.6%
Wayne County	2,509	2,544	2,567	1.1%
Bicknell town	353	355	355	0.3%
Hanksville town	(X)	205	206	na
Loa town	525	531	530	0.5%
Lyman town	234	236	236	0.4%
Torrey town	171	174	174	0.9%
Balance of Wayne County*	1,226	1,043	1,066	-6.8%
Weber County	196,533	200,447	204,167	1.9%
Farr West city	3,094	3,348	3,628	8.3%
Harrisville city	3,645	3,900	4,167	6.9%
Hooper city	(X)	4,026	4,026	na
Huntsville town	649	644	646	-0.2%
Marriott-Slaterville	1,425	1,428	1,430	0.2%
North Ogden city	15,026	15,466	15,815	2.6%
Ogden city	77,226	78,315	78,641	0.9%
Plain City city	3,489	3,637	3,835	4.8%
Pleasant View city	5,632	5,787	5,898	2.3%
Riverdale city	7,656	7,742	7,805	1.0%
Roy city	32,885	34,272	34,997	3.2%
South Ogden city	14,377	14,315	14,700	1.1%
Uintah town	1,127	1,165	1,200	3.2%
Washington Terrace city	8,551	8,521	8,530	-0.1%
West Haven city	3,976	4,136	4,883	10.8%
Balance of Weber County*	17,775	13,745	13,966	-11.4%
State Total	2,233,169	2,278,712	2,316,256	1.8%

Notes:
1) AARC = Average Annual Rate of Change
2) The Utah Population Estimates Committee provided July 1, 2002 estimates for the following areas: Leeds, 615; resulting Balance of Washington County, 6,242; Koosharem, 391; resulting Balance of Sevier County, 3,375; Holladay, 19,946; West Jordan, 84,498; Murray, 44,866; resulting Balance of Salt Lake County, 181,517. For the case of Washington County, Sevier County, and Salt Lake County, only the annexation increment impacts the Balance of County figure. The annexation increment for Leeds is 45, for Koosharem is 115, for Holladay is 6,422, for West Jordan is 11,143, and for Murray is 9,811.
3) An "(X)" in the Census 2000 field indicates a locality that was formed or incorporated after Census 2000 or was erroneously omitted from Census 2000.
4) Dash (-) represents zero or rounds to zero.

Sources: US Census Bureau and the Governor's Office of Planning and Budget

Employment, Wages, and Labor Force

Overview

The prevailing national recession has caused an employment downturn in nearly all states in this country and was powerful enough to affect Utah from its normal employment-growth habit. Job shedding in Utah began in 2001, continued into 2002, and has not rebounded in 2003. Utah's employment situation is down 0.1% for 2003. Though this only translates into roughly 1,000 fewer jobs than registered in 2002, the negativity that began in 2001 continues. While a decline in employment in Utah is rare, 2002 and 2003 were two consecutive years of declining employment. Prior to the employment decline of 2002, it was not since 1964 when Utah experienced the last decline.

Job Growth by Industrial Sector

Although jobs decreased in 2003, the losses diminished significantly since 2002, when Utah had a net loss of nearly 8,000 jobs. In 2003, the loss had decreased to 1,000 jobs. It appears that momentum is building toward employment growth in 2004, but that growth will probably be modest.

Understanding the factors that led to recession will help determine the timing and speed of recovery. The rise of new technologies that occurred in the 1990s led to an extreme over-exuberance in the management and financing of those products. This excess spilled over into nearly all industrial sectors. Fueled by a stock market out-of-control, the nation experienced an incredible build-up of production-capacity unmatched since the 1920s. Generally considered self-correcting, the capitalistic marketplace is now rectifying the imbalance of the 1990s with the current recession. Gauging how much was overbuilt in the late 1990s and how long it will take for that to subside or absorb will influence when we will recover.

Mining. The mining industry has more significance in Utah's history than it does in its current economy. Once a foundational industry in Utah, mining now employs only 6,600 workers, or less than 1% of all employment. It is still significant in some regions of Utah, like oil and gas in the Uintah Basin or coal mining in central Utah, but its role as a big player in the Utah economy has passed.

Construction. Construction employment was down again, but the 700 fewer jobs in 2003 were more tolerable than the 3,800 fewer jobs recorded in 2002. Construction employment peaked in 2000 at 72,200. Since then it has fallen by just over 5,000 positions. Though this is not desirable, this decline was expected after the projects for the 2002 Olympic Winter Games were completed. Some economic prognosticators saw Utah's construction industry losing up to 15,000 jobs in this Olympic wake. Fortunately, we haven't seen job losses of this magnitude. A strong residential housing market in 2003, fueled by historically low mortgage interest rates, helped keep construction activity at an acceptable level.

Manufacturing. As of 2003, the manufacturing industry has experienced six consecutive years of declining employment, with nearly 14,000 jobs lost since 2000. Job loss in this industry is not a Utah-specific problem. A review of manufacturing across the globe shows that manufacturing employment is falling in nearly all nations--including China. Despite its woes, manufacturing still employs around 112,000 Utahns. Just as history recorded lost agricultural jobs when the world shifted from the agricultural era to the industrial era, so are manufacturing jobs disappearing as we shift from the industrial era to a technological era. Periods of manufacturing job losses are something we will have to adapt to as time progresses.

Trade, Transportation, Utilities. Despite losing 1,100 workers in 2003, trade, transportation, and utilities is the largest employment sector in Utah with just under 215,000 workers. The loss of 1,100 is not a particularly large number, but it does continue the downward momentum that began in 2002 when this industry dropped nearly 4,000 jobs. The nation's largest retailer, Wal-Mart, has expanded in Utah's Wasatch Front, with plans to build more superstores. To support this goal, the development of a large distribution center in Grantsville is planned for 2004. This activity is likely to push this sector's employment numbers up in 2004.

Although these three components are grouped together under the North American Industry Classification System (NAICS), the transportation and utilities components are dwarfed by the trade component, which accounts for 80% of all employment in this sector.

Information. With 30,400 jobs, information is the second smallest employment sector in Utah after mining (6,600 jobs). The information industry includes some important players in the IT field, like software development and internet service providers. Not exclusively information technology businesses, it also includes libraries, newspapers, and broadcast media outlets. Marking the third year in a row of declining employment, the information sector lost 600 jobs in 2003.

Financial Activity. Financial Activity showed a modest gain of 400 jobs in 2003, bringing total employment in this sector to 63,800. Financial activity includes banking, real estate credit and mortgage activity, securities, commodities, insurance, title companies, and trusts and funds. Because the nation's metropolitan areas are its financial centers, it makes sense that this industry is relatively concentrated in Salt Lake County. Slightly less than 70% of all financial employment is found in Salt Lake County--the addition of Utah County brings this figure to almost 80%.

Professional and Business Services. Businesses whose major resource is human capital are grouped together within the professional and business services sector. This category covers a broad spectrum of diverse industries. Some members include computer and software development, company headquarters, call centers, research firms, and waste management. It is a relatively large sector that employed around 132,400 workers in 2003. This is an increase of about 500 jobs over 2002. Some of the high technology industry's major players are classified in this sector, like engineering services, testing labs, systems design, and scientific research. Of these, only systems design showed slight erosion in its employment base. All others remained stable or grew.

Education and Health Services.[1] Proving to be the state's strongest employment sector, the education and health services sector continued to grow through the entire recessionary period. Total employment in

[1] Only private-sector education is included in Education and Health Services. Public-sector education is found within the government classification.

2003 was 116,200, a gain of 2.2% over 2002. While education has grown, health care is the driving factor and national demographic trends suggest that this growth should continue well into the future.

Leisure and Hospitality. We know Utah to be a hotbed of tourism and recreation, and many of the jobs directly related to those activities are categorized in leisure and hospitality. Hotels and restaurants are the big players. The aftermath of 9-11 depressed this industry nationwide. In 2002 Utah experienced growth in this industry; however, the 2002 Olympic Winter Games helped inflate those numbers. With no Olympic affect, the losses seen nationwide caught up to Utah in 2003. The result was an employment decline of 800 positions, leaving the leisure and hospitality workforce at 100,200.

Other Services. Comprised of a variety of businesses within its classification, other services is a catchall sector within NAICS. It employed 32,600 Utahns in 2003, and it is another industry with declining employment. Showing a modest decline of 400 positions, 2003 was the first year in which there was a decline in this industry.

Government. Government is a large sector in Utah that currently employs around 196,600 workers. This includes federal, state, and local governments in areas such as national defense, education, forest service and land management, counties, and cities. In 2003, this industry expanded by approximately 1,300 positions. A growing school-age population provides constant pressure on Utah's local government school districts. These pressures have been particularly strong in southern Salt Lake County and northern Utah County. New security jobs pushed up federal government employment. State government showed no employment change.

Significant Issues

The Wasatch Front and Off the Wasatch Front. In Utah, the Wasatch Front is known as the urbanized corridor that stretches from Ogden to Provo. It accounts for over 80% of all Utah jobs. Most of the time, it is the Wasatch Front corridor that enjoys job growth, and many of the areas off the Wasatch Front struggle to garner any job growth at all. Conversely, when this recession developed, it was the Wasatch Front that suffered through the employment declines. The counties off the Wasatch Front were able, as a whole, to continue to generate employment gains. Particularly strong was Washington County, where employment growth continued to increase in the 4% range.

The employment-loss concentration along the Wasatch Front underscores the view that the current recession is a high technology-based recession. The high technology businesses that emerged in the 1990s were established in the nation's metropolitan areas. With high technology-based employment loss, the metropolitan areas suffered the most in this recession. Nearly 75% of the nation's metropolitan areas are experiencing employment declines.

Wage Growth Slows. Preliminary measures placed Utah's 2003 average annual nonagricultural wage at $30,537. This reflects year-over wage growth of 1.4%. This is slightly below last year's 1.6% increase. Both years represent not only small gains, but also the smallest yearly increases since a 2.4% increase in 1993. The 2002 gain of 1.6% matched the rate of inflation for that year, as measured by the U.S. Consumer Price Index (CPI-U). The 2003 average wage gain of 1.4% fell short of the estimated rate of inflation for 2003.

Major Employers. Utah's list of top ten major employers changes little from year to year. Intermountain Health Care (IHC), a large health care organization with numerous hospitals and clinics, and the State of Utah top the list as the two largest employers--both have employment levels over 20,000. Education is a large employer in Utah as well, and four of the remaining top eight employers fall within this classification. The University of Utah (including the University Hospital) and Brigham Young University each have between 15,000 and 20,000 employees. Granite and Jordan school districts range from 7,000 to 10,000 workers. Hill Air Force Base, though not employing as many civilian workers as it did several years ago, ranks fifth with 10,000 to 15,000 civilian jobs. Wal-Mart, with its growing number of stores in Utah, ranks sixth. Convergys, a multi-county telemarketing company, and the Kroger Group (Smiths Foods and Fred Meyer stores) round out the top-ten list.

Labor Force Composition. In 2002 Utah's civilian, non-institutionalized labor force comprised 71% of the state's 16-years-and-over population. This is significantly higher than the national average of 67%. Both Utah women (63% in Utah vs. 60% nationally) and men (80% in Utah vs. 74% nationally) take part in the labor market at higher rates than their national counterparts.

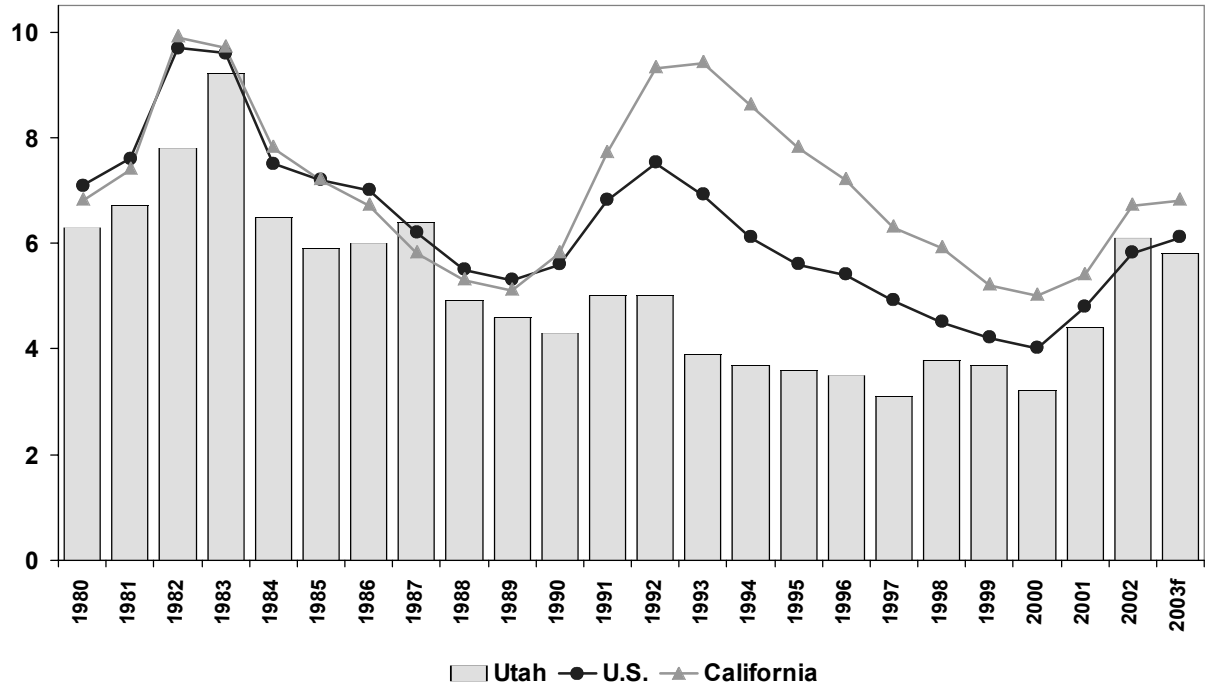
One reason for Utah's high labor force participation is its young population. Moreover, Utah's teenagers and young adults are much more likely to work than their U.S. peers. Although Utah's 55-years-and-over population comprises a relatively small share of the state's adult population, Utahns in this category are also more likely to work than their U.S. peers.

Conclusion

Both Utah and the United States experienced employment losses for the second year in a row. In 2002, Utah experienced the worst job growth rate (-0.7%) in 48 years. The year 2003 marked the second year in a row of a job loss (-0.1%). This is not a Utah-unique situation, as many states are experiencing this same multi-year setback.

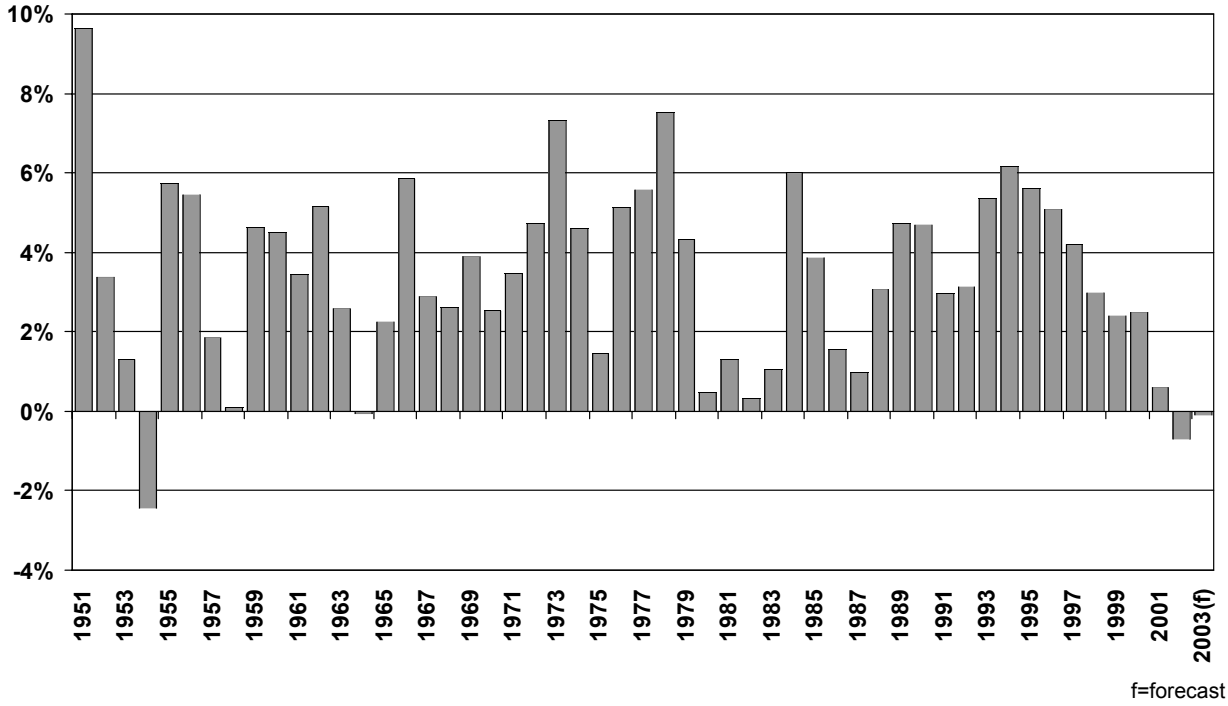
In the dynamic environment of the 1990s, there were "real" skill shortages where the labor forces' skills did not meet some of the business community's needs. This occurred in the computer systems design area. These businesses were offering premium wage rates, but were unsuccessful in finding workers because the labor force lacked some of the necessary skills. With the current economic slowdown having now lasted for several years, some of this "skills gap" will be met by the natural flow of people going to schools and universities to acquire the proficiencies demanded by the emerging environment. Although labor demand is unlikely to return to the robust levels of the late 1990s, a better skilled workforce coupled with the anticipation of returning economic growth will result in the ability to meet the business community's labor needs as the next economic expansion emerges.

Figure 24
Unemployment Rates for Utah, California, and the U.S.



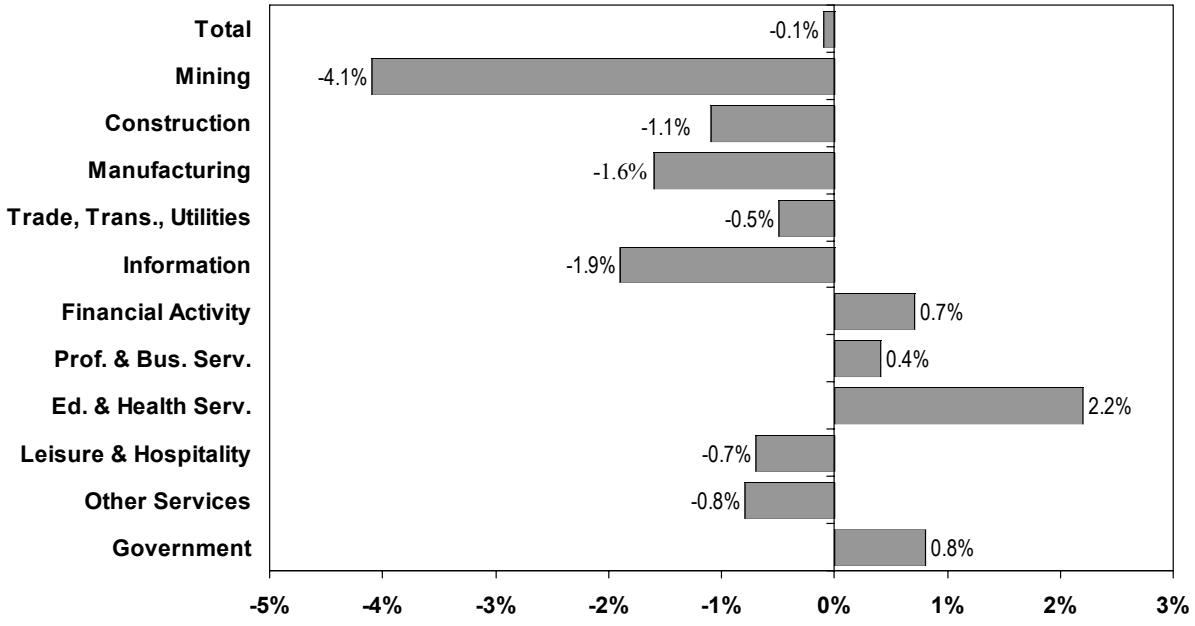
Sources: Utah Department of Workforce Services, U.S. Bureau of Labor Statistics

Figure 25
Utah Nonagricultural Employment -- Annual Percent Change: 1951 to 2003



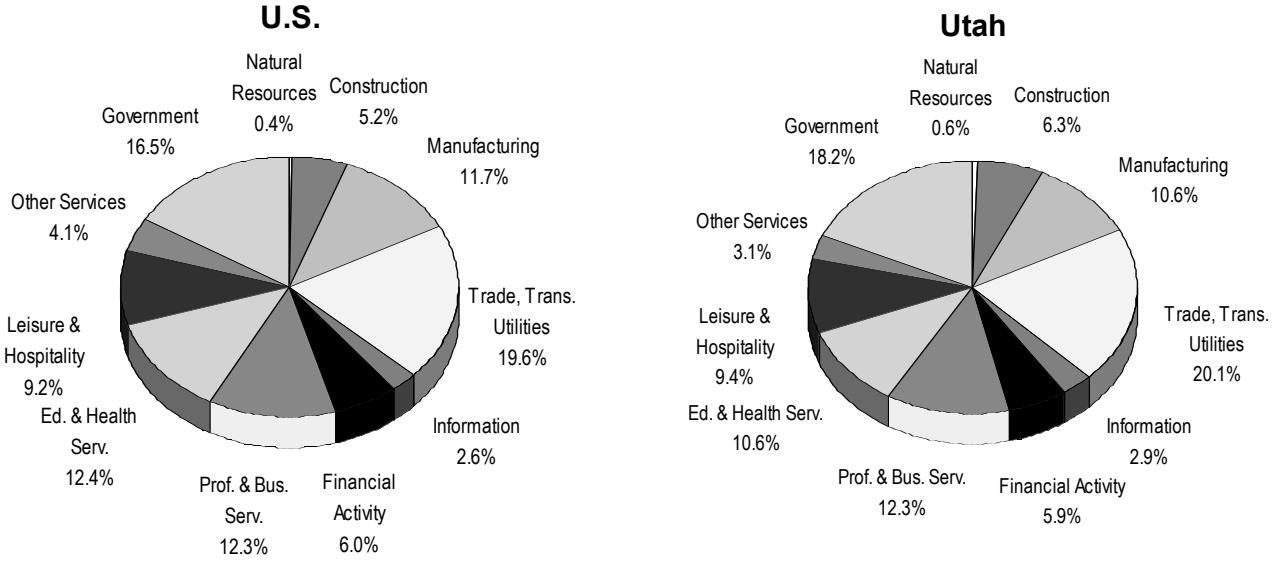
Source: Utah Department of Workforce Services

Figure 26
Percent Change in Utah Employment by Industry: 2002-2003 Annual Averages



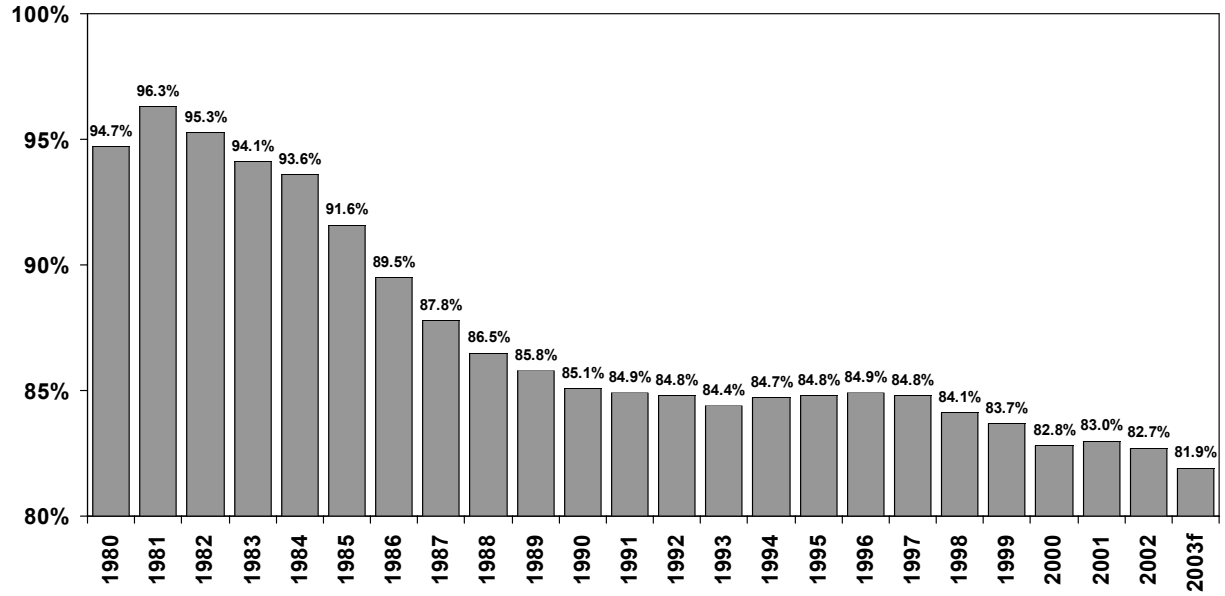
Source: Utah Department of Workforce Services

Figure 27
U.S. and Utah Nonagricultural Employment Distribution by Industry: 2003



Source: Utah Department of Workforce Services

Figure 28
Utah Average Annual Pay as a Percent of the U.S. Average



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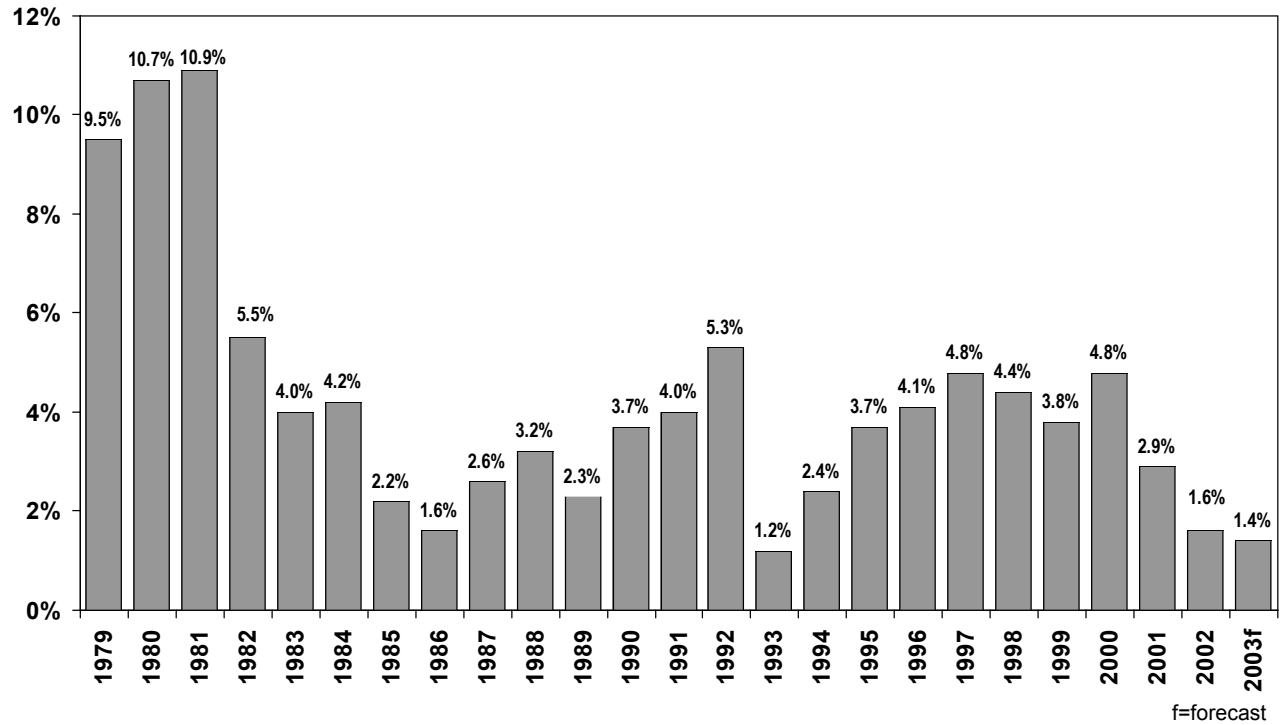
Note: For workers covered by unemployment insurance
Source: U.S. Bureau of Labor Statistics

Figure 29
Utah Average Annual Pay Growth Rates: Percent Change



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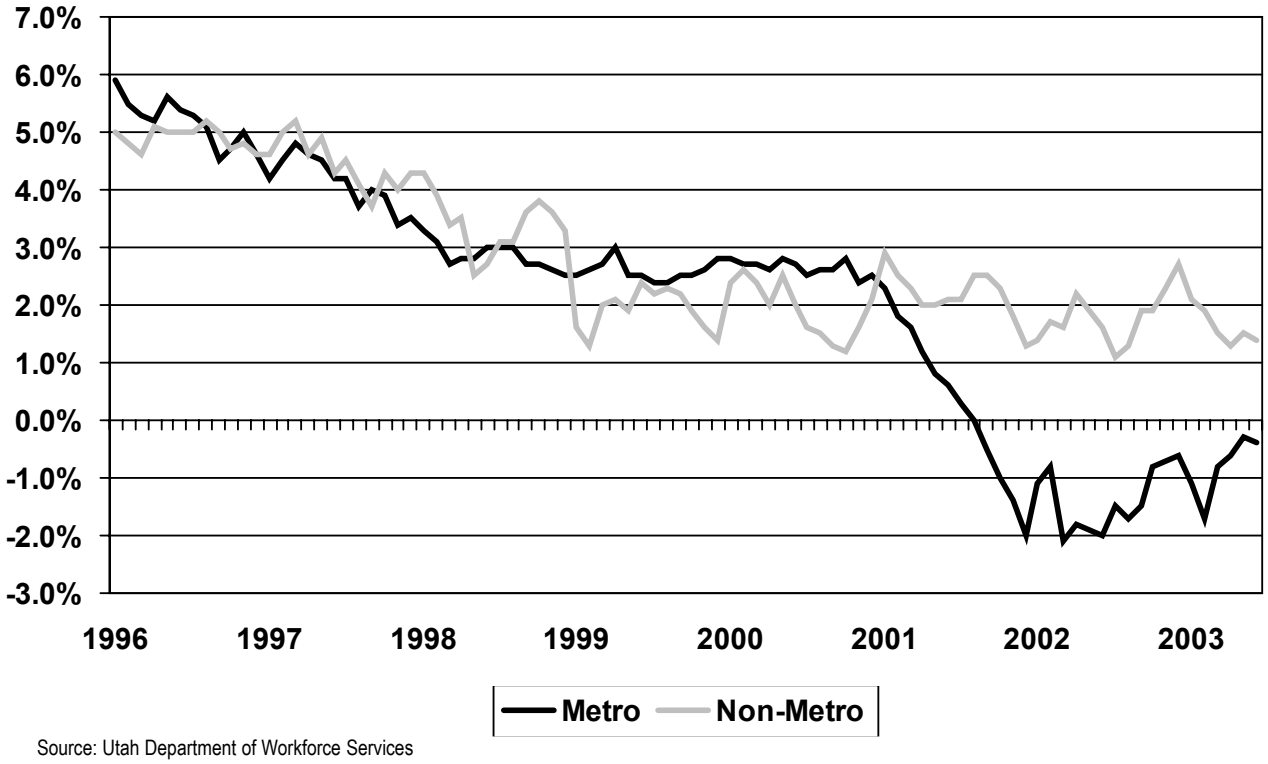
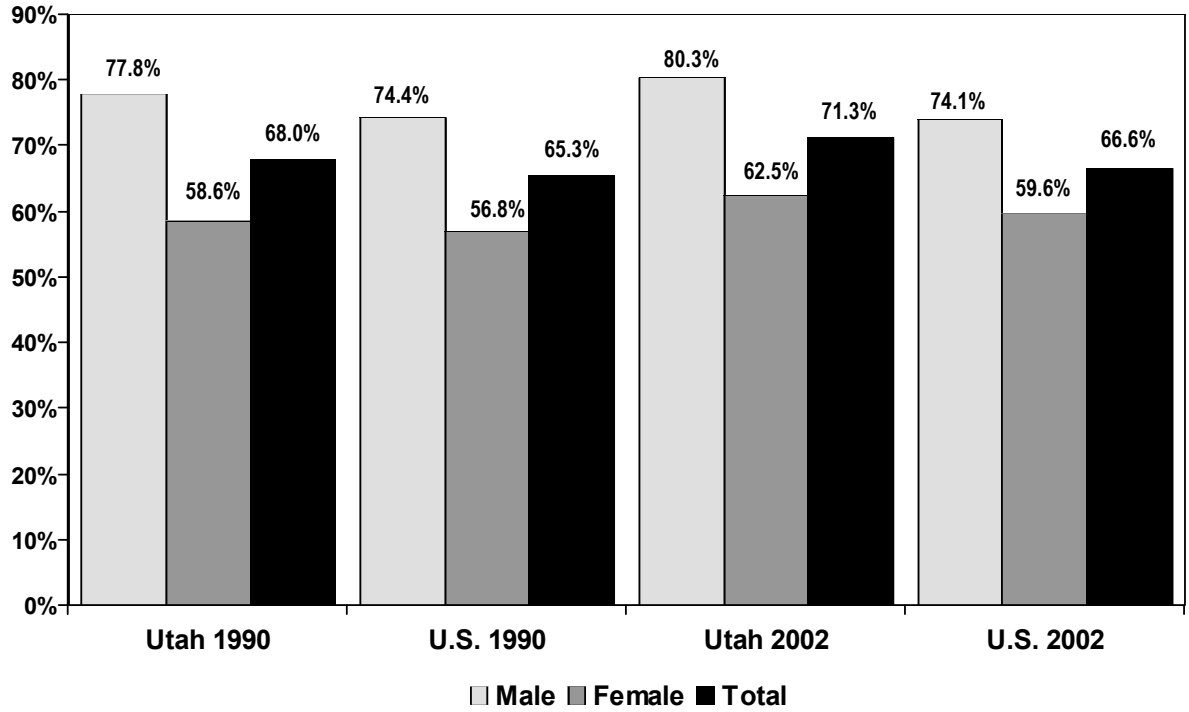
Sources: Utah Department of Workforce Services, Council of Economic Advisors

Figure 30
Employment Growth: Metro vs. Non-Metro Utah



Source: Utah Department of Workforce Services

Figure 31
Utah and U.S. Civilian Labor Force Participation Rates: Persons 16 years and Older



Source: U.S. Bureau of Labor Statistics

Table 22
Utah Nonagricultural Payroll Employment, Industry Percent of Total, and Unemployment Rates

	Total Employment			Industry Percent of Total											
Year	Number	Percent Change	Increase	Mining	Constru.	Manufact.	Trade, Trans. Utilities	Infor.	Financial Activity	Prof. & Bus Services	Edu. & Health	Leisure & Hospitality	Other Services	Govt.	Unemployment Rates
1940	115,000	4.6	5,100	na	na	na	na	na	na	na	na	na	na	na	na
1941	131,800	14.6	16,800	na	na	na	na	na	na	na	na	na	na	na	na
1942	170,800	29.6	39,000	na	na	na	na	na	na	na	na	na	na	na	na
1943	189,400	10.9	18,600	na	na	na	na	na	na	na	na	na	na	na	na
1944	173,100	-8.6	-16,300	na	na	na	na	na	na	na	na	na	na	na	na
1945	168,800	-2.5	-4,300	na	na	na	na	na	na	na	na	na	na	na	na
1946	168,500	-0.2	-300	na	na	na	na	na	na	na	na	na	na	na	na
1947	178,000	5.6	9,500	na	na	na	na	na	na	na	na	na	na	na	na
1948	183,400	3.0	5,400	na	na	na	na	na	na	na	na	na	na	na	na
1949	183,500	0.1	100	na	na	na	na	na	na	na	na	na	na	na	na
1950	189,153	3.1	5,653	na	na	na	na	na	na	na	na	na	na	na	5.5
1951	207,386	9.6	18,233	na	na	na	na	na	na	na	na	na	na	na	3.3
1952	214,409	3.4	7,023	na	na	na	na	na	na	na	na	na	na	na	3.2
1953	217,194	1.3	2,785	na	na	na	na	na	na	na	na	na	na	na	3.3
1954	211,864	-2.5	-5,330	na	na	na	na	na	na	na	na	na	na	na	5.2
1955	224,007	5.7	12,143	na	na	na	na	na	na	na	na	na	na	na	4.1
1956	236,225	5.5	12,218	na	na	na	na	na	na	na	na	na	na	na	3.4
1957	240,577	1.8	4,352	na	na	na	na	na	na	na	na	na	na	na	3.7
1958	240,816	0.1	239	na	na	na	na	na	na	na	na	na	na	na	5.3
1959	251,940	4.6	11,124	na	na	na	na	na	na	na	na	na	na	na	4.6
1960	263,307	4.5	11,367	na	na	na	na	na	na	na	na	na	na	na	4.8
1961	272,355	3.4	9,048	na	na	na	na	na	na	na	na	na	na	na	5.3
1962	286,382	5.2	14,027	na	na	na	na	na	na	na	na	na	na	na	4.9
1963	293,758	2.6	7,376	na	na	na	na	na	na	na	na	na	na	na	5.4
1964	293,576	-0.1	-182	na	na	na	na	na	na	na	na	na	na	na	6.0
1965	300,164	2.2	6,588	na	na	na	na	na	na	na	na	na	na	na	6.1
1966	317,771	5.9	17,607	na	na	na	na	na	na	na	na	na	na	na	4.9
1967	326,953	2.9	9,182	na	na	na	na	na	na	na	na	na	na	na	5.2
1968	335,527	2.6	8,574	na	na	na	na	na	na	na	na	na	na	na	5.4
1969	348,612	3.9	13,085	na	na	na	na	na	na	na	na	na	na	na	5.2
1970	357,435	2.5	8,823	na	na	na	na	na	na	na	na	na	na	na	6.1
1971	369,836	3.5	12,401	na	na	na	na	na	na	na	na	na	na	na	6.6
1972	387,271	4.7	17,435	na	na	na	na	na	na	na	na	na	na	na	6.3
1973	415,641	7.3	28,370	na	na	na	na	na	na	na	na	na	na	na	5.8
1974	434,793	4.6	19,152	na	na	na	na	na	na	na	na	na	na	na	6.1
1975	441,082	1.4	6,289	na	na	na	na	na	na	na	na	na	na	na	6.5
1976	463,658	5.1	22,576	na	na	na	na	na	na	na	na	na	na	na	5.7
1977	489,580	5.6	25,922	na	na	na	na	na	na	na	na	na	na	na	5.3
1978	526,400	7.5	36,820	na	na	na	na	na	na	na	na	na	na	na	3.8
1979	549,242	4.3	22,842	na	na	na	na	na	na	na	na	na	na	na	4.3
1980	551,889	0.5	2,647	na	na	na	na	na	na	na	na	na	na	na	6.3
1981	559,184	1.3	7,295	na	na	na	na	na	na	na	na	na	na	na	6.7
1982	560,981	0.3	1,797	na	na	na	na	na	na	na	na	na	na	na	7.8
1983	566,991	1.1	6,010	na	na	na	na	na	na	na	na	na	na	na	9.2
1984	601,068	6.0	34,077	na	na	na	na	na	na	na	na	na	na	na	6.5
1985	624,387	3.9	23,319	na	na	na	na	na	na	na	na	na	na	na	5.9
1986	634,138	1.6	9,751	na	na	na	na	na	na	na	na	na	na	na	6.0
1987	640,298	1.0	6,160	na	na	na	na	na	na	na	na	na	na	na	6.4
1988	660,075	3.1	19,777	na	na	na	na	na	na	na	na	na	na	na	4.9
1989	691,244	4.7	31,169	na	na	na	na	na	na	na	na	na	na	na	4.6
1990	723,629	4.7	32,385	1.1	3.9	14.4	21.4	2.4	4.8	9.8	9.1	8.7	2.8	21.7	4.3
1991	745,202	3.0	21,573	1.1	4.2	13.8	21.7	2.3	4.9	10.3	9.3	8.9	2.6	21.0	5.0
1992	768,602	3.2	23,488	1.0	4.6	13.3	21.5	2.5	5.0	9.9	9.6	9.1	2.5	20.8	5.0
1993	809,731	5.4	41,129	1.0	4.9	13.2	21.3	2.3	5.2	10.6	9.7	9.3	2.6	20.1	3.9
1994	859,626	6.2	49,895	0.9	5.6	13.1	21.3	2.4	5.4	10.9	9.5	9.2	2.5	19.1	3.7
1995	907,886	5.6	48,260	0.9	6.1	12.9	21.3	2.4	5.3	11.6	9.3	9.3	2.5	18.4	3.6
1996	954,183	5.1	46,297	0.8	6.4	12.8	20.9	2.7	5.4	12.1	9.3	9.3	2.5	17.9	3.5
1997	993,999	4.2	39,816	0.8	6.5	12.7	20.7	2.8	5.4	12.3	9.3	9.2	2.5	17.9	3.1
1998	1,023,480	3.0	29,461	0.7	6.7	12.5	20.6	2.9	5.5	12.4	9.4	9.1	2.6	17.7	3.8
1999	1,048,498	2.4	25,018	0.7	6.9	12.1	20.4	3.1	5.5	12.7	9.4	9.0	2.6	17.6	3.7
2000	1,074,879	2.5	26,381	0.7	6.7	11.7	20.4	3.3	5.5	13.0	9.5	9.0	2.7	17.7	3.2
2001	1,081,685	0.6	6,806	0.7	6.6	11.3	20.3	3.1	5.8	12.6	10.1	9.1	2.8	17.6	4.4
2002	1,073,746	-0.7	-7,939	0.6	6.3	10.6	20.1	2.9	5.9	12.3	10.6	9.4	3.1	18.2	6.1
2003p	1,072,800	-0.1	-946	0.6	6.3	10.4	20.0	2.8	5.9	12.3	10.8	9.3	3.0	18.3	5.8

p = preliminary
na = not available

Source: Utah Department of Workforce Services

Table 23
Utah Nonagricultural Payroll Employment by County and Major Industry: 2002

	Total	Mining	Construction	Manufacturing	Trade, Transp., Utilities	Information	Financial Activity	Profess. & Business Services	Education & Health Services	Leisure & Hospitality	Other Services	Government
State Total	1,073,746	6,880	67,838	113,873	216,032	31,004	63,352	131,912	113,696	100,943	32,970	195,246
Beaver	1,893	43	89	79	478	-	39	13	40	387	34	691
Box Elder	17,669	32	923	7,067	3,318	146	411	733	1,050	1,194	317	2,478
Cache	43,010	26	2,201	7,913	6,394	611	1,041	6,511	3,556	3,338	1,046	10,373
Carbon	8,918	786	294	371	2,072	100	248	701	896	785	356	2,309
Daggett	462	-	14	2	23	2	1	2	-	151	23	244
Davis	88,894	59	6,718	10,073	18,638	915	3,197	7,648	7,630	7,881	2,647	23,488
Duchesne	5,191	616	367	124	1,159	166	129	134	423	330	158	1,585
Emery	3,450	660	326	21	895	144	52	87	72	148	168	877
Garfield	2,085	9	65	82	206	111	24	14	137	789	29	619
Grand	4,223	76	259	57	833	42	147	160	276	1,460	64	849
Iron	14,107	3	885	1,446	2,490	129	576	1,674	1,177	1,514	323	3,890
Juab	2,737	46	323	375	379	-	48	285	218	416	75	572
Kane	2,614	5	134	128	345	6	64	30	37	868	252	745
Millard	3,801	90	229	151	1,224	28	72	250	249	369	77	1,062
Morgan	1,636	7	318	215	384	1	38	87	18	153	37	378
Piute	259	-	7	-	51	-	6	1	4	33	4	153
Rich	605	-	53	3	73	-	36	9	37	132	54	208
Salt Lake	533,720	1,873	30,529	49,761	115,861	18,598	43,751	80,214	47,857	45,856	18,091	81,329
San Juan	3,961	179	217	159	487	12	53	74	337	585	86	1,772
Sanpete	6,765	16	439	955	1,113	165	190	241	513	468	160	2,505
Sevier	7,311	396	365	527	2,100	76	163	305	742	805	158	1,674
Summit	16,436	71	1,493	558	2,741	223	1,373	1,129	580	5,797	387	2,084
Tooele	11,887	46	583	1,387	1,654	194	310	1,980	779	1,106	296	3,552
Uintah	9,958	1,612	503	194	2,172	120	309	483	763	956	257	2,589
Utah	151,806	45	10,605	16,951	24,881	6,559	5,381	17,746	31,585	11,953	3,960	22,140
Wasatch	4,874	30	631	263	826	54	203	336	384	969	103	1,075
Washington	37,351	154	4,323	2,356	9,520	706	1,560	2,669	4,686	4,925	1,116	5,336
Wayne	1,067	-	97	17	128	-	8	2	306	180	22	307
Weber	87,056	-	4,848	12,638	15,587	1,896	3,922	8,394	9,344	7,395	2,670	20,362

Note: These data are based on the new NAICS classification system.

Source: Utah Department of Workforce Services, Workforce Information.

Table 24
Utah Nonagricultural Payroll Wages by County and Major Industry: 2002

County	Total	Mining	Construction	Manufacturing	Trade Trans. Utilities	Information	Financial Activity	Professional & Business Serv.	Education & Health Serv.	Leisure & Hospitality	Other Services	Government
State Total	$32,337,267,217	$340,336,813	$2,086,087,846	$4,192,681,234	$6,210,020,664	$1,238,670,684	$2,386,702,302	$4,453,813,471	$3,130,127,545	$1,350,195,324	$733,510,928	$6,215,120,406
Beaver	40,232,328	1,242,465	2,003,178	2,517,879	12,523,812	-	822,097	213,857	1,096,015	3,713,690	531,757	15,567,578
Box Elder	577,476,422	1,020,262	25,355,887	347,104,889	70,348,690	2,875,012	10,635,563	17,286,627	21,531,298	10,363,086	5,059,950	65,895,158
Cache	997,380,579	574,678	47,103,029	238,851,154	118,838,734	19,483,790	28,643,944	153,459,599	77,079,840	27,986,969	20,640,256	264,718,586
Carbon	239,792,966	46,293,445	10,768,687	11,372,337	55,236,974	2,166,785	5,553,975	14,975,112	20,428,263	6,770,101	8,852,183	57,375,104
Daggett	10,698,342	-	475,358	26,400	653,362	8,450	12,000	47,500	-	1,913,300	690,265	6,871,707
Davis	2,663,882,779	2,419,532	213,279,144	351,481,975	473,847,756	22,823,961	85,753,132	268,806,267	191,019,230	79,342,163	60,075,195	915,034,424
Duchesne	135,566,915	30,881,859	9,054,565	3,368,287	25,569,283	4,329,328	2,867,461	4,115,661	9,610,443	2,739,512	3,102,870	39,927,646
Emery	121,268,017	34,471,930	10,831,259	574,666	39,378,256	3,938,312	943,335	1,959,556	1,399,020	1,014,033	4,730,202	22,027,448
Garfield	41,319,085	412,013	1,433,962	1,560,739	3,386,131	3,834,759	467,886	183,663	3,020,110	10,248,650	347,513	16,423,659
Grand	83,745,582	3,440,630	6,446,948	824,711	16,840,443	918,750	2,689,877	3,615,413	5,773,608	17,694,716	1,020,564	24,479,922
Iron	295,842,990	67,690	19,335,955	40,527,917	52,239,040	2,824,974	14,526,677	25,429,523	22,321,106	14,446,049	5,979,796	98,144,263
Juab	66,959,975	1,393,093	14,064,880	12,113,808	6,658,109	-	1,126,501	9,786,300	2,897,973	3,256,631	1,415,383	14,247,297
Kane	50,231,762	133,367	2,741,562	2,632,597	5,498,282	37,363	1,285,615	293,892	644,127	12,645,577	5,764,375	18,555,005
Millard	108,806,761	3,715,680	9,545,604	4,489,994	42,857,527	620,667	1,599,866	6,855,530	5,681,688	2,614,963	1,312,492	29,512,750
Morgan	41,224,408	171,657	7,810,333	7,910,453	10,999,622	696	823,761	2,378,784	224,757	958,337	609,022	9,336,986
Piute	5,017,844	-	87,560	-	1,175,046	-	114,494	3,170	45,435	156,317	79,058	3,356,764
Rich	10,112,027	-	1,135,520	104,151	1,175,416	-	483,748	101,412	594,966	1,099,698	604,276	4,812,840
Salt Lake	17,863,508,020	108,286,033	1,037,340,483	1,907,640,907	3,839,037,910	706,877,259	1,804,524,475	3,003,504,459	1,498,093,693	731,719,635	428,690,744	2,797,792,422
San Juan	87,099,492	5,656,895	4,578,487	5,965,526	7,492,715	131,206	1,093,026	1,123,827	6,801,374	8,537,963	1,361,250	44,357,223
Sanpete	129,080,425	560,371	9,804,981	19,445,371	16,407,942	4,274,824	4,482,984	3,121,757	10,423,042	2,468,994	2,990,576	55,099,583
Sevier	168,818,804	16,744,694	6,761,026	12,656,909	51,602,593	1,491,302	4,856,629	7,273,177	13,944,836	6,223,511	2,886,909	44,377,218
Summit	439,221,928	2,779,377	54,065,952	24,077,799	60,403,815	8,643,632	46,362,715	45,857,078	15,978,490	113,029,531	8,803,294	59,220,245
Tooele	389,864,599	4,207,091	16,197,120	52,799,777	32,635,179	5,591,522	7,540,785	97,846,631	18,040,141	10,390,916	5,434,422	139,181,015
Uintah	263,015,942	69,557,904	11,305,225	3,606,207	57,915,101	2,430,424	10,966,403	10,277,517	13,824,231	7,164,577	5,199,632	70,768,721
Utah	4,099,385,107	1,912,212	301,979,349	558,838,987	600,561,559	370,859,821	174,317,206	501,701,487	774,725,229	121,883,877	78,916,525	613,688,855
Wasatch	117,167,009	873,668	15,887,503	8,627,416	18,206,811	1,186,104	5,320,583	12,837,986	8,214,040	11,606,498	2,550,781	31,855,619
Washington	852,920,434	3,520,267	103,228,102	61,478,052	227,023,669	19,076,923	43,164,816	58,658,908	127,072,081	56,562,347	19,645,578	133,489,691
Wayne	20,994,479	-	2,299,151	174,357	1,852,879	-	161,860	60,918	7,195,194	1,475,808	315,947	7,458,365
Weber	2,416,632,196	-	141,167,036	511,907,969	359,654,008	54,244,820	125,560,888	202,037,860	272,447,315	82,167,875	55,900,113	611,544,312

Notes: Totals differ in this table from other tables due to different release dates or data sources. Also, these data are based on the new NAICS classification system and do not reflect the former SIC codes.

Source: Utah Department of Workforce Services, Workforce Information.

Table 25
Utah Average Monthly Wage by Industry

Industry	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Total Nonagricultural Jobs	$1,710	$1,801	$1,823	$1,867	$1,936	$2,016	$2,114	$2,202	$2,291	$2,401	$2,470	$2,510
Mining	2,973	3,179	3,253	3,293	3,314	3,470	3,658	3,752	3,759	3,997	4,264	4,122
Construction	1,916	1,888	1,875	1,942	2,049	2,102	2,209	2,279	2,370	2,481	2,536	2,563
Manufacturing	2,143	2,233	2,238	2,300	2,386	2,502	2,616	2,684	2,767	2,915	3,020	3,068
Trade, Trans., Utilities	1,603	1,694	1,740	1,788	1,825	1,951	2,047	2,112	2,245	2,322	2,335	2,395
Information	2,474	2,648	2,513	2,301	2,408	2,531	2,797	2,929	3,303	3,506	3,369	3,329
Financial Activity	1,838	2,000	2,097	2,097	2,212	2,367	2,511	2,728	2,754	2,925	3,045	3,139
Professional & Business Serv.	1,853	2,079	2,098	2,154	2,259	2,229	2,341	2,474	2,602	2,720	2,836	2,814
Education & Health Serv.	1,673	1,745	1,769	1,820	1,873	1,925	1,996	2,061	2,099	2,210	2,253	2,294
Leisure & Hospitality	613	640	653	678	709	752	796	848	888	958	1,021	1,115
Other Services	1,105	1,119	1,162	1,223	1,294	1,373	1,453	1,532	1,591	1,639	1,843	1,854
Government	1,804	1,883	1,911	1,970	2,040	2,116	2,185	2,264	2,304	2,417	2,544	2,653

Industry	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	99-00	00-01	01-02
Total Nonagricultural Jobs	5.3	1.2	2.4	3.7	4.1	4.8	4.2	4.1	4.8	2.8	1.6
Mining	6.9	2.3	1.2	0.6	4.7	5.4	2.6	0.2	6.3	6.7	-3.3
Construction	-1.5	-0.7	3.6	5.5	2.6	5.1	3.2	4.0	4.7	2.2	1.1
Manufacturing	4.2	0.2	2.8	3.7	4.9	4.6	2.6	3.1	5.4	3.6	1.6
Trade, Trans., Utilities	5.6	2.7	2.8	2.1	6.9	4.9	3.2	6.3	3.4	0.6	2.6
Information	7.0	-5.1	-8.4	4.7	5.1	10.5	4.7	12.8	6.1	-3.9	-1.2
Financial Activity	8.8	4.8	0.0	5.5	7.0	6.1	8.7	0.9	6.2	4.1	3.1
Professional & Business Serv.	12.2	0.9	2.7	4.9	-1.3	5.0	5.7	5.2	4.5	4.3	-0.8
Education & Health Serv.	4.3	1.4	2.9	2.9	2.8	3.7	3.3	1.8	5.3	1.9	1.8
Leisure & Hospitality	4.5	1.9	3.9	4.6	6.1	5.9	6.5	4.7	7.9	6.6	9.2
Other Services	1.2	3.9	5.3	5.8	6.1	5.8	5.4	3.9	3.0	12.5	0.6
Government	4.4	1.5	3.1	3.6	3.7	3.2	3.6	1.8	4.9	5.3	4.3

Source: Utah Department of Workforce Services, Workforce Information.

Table 26
Utah Population, Labor Force, Nonagricultural Jobs and Wages

						Percent Change			
	2000	2001	2002	2003(f)	2004(f)	00-01	01-02	02-03	03-04
Total Population	2,193,000	2,247,000	2,296,000	2,339,000	2,385,000	2.5	2.2	1.9	2.0
Civilian Labor Force	1,143,103	1,161,070	1,180,007	1,188,000	1,206,500	1.6	1.6	0.7	1.6
Employed Persons	1,105,951	1,110,359	1,107,946	1,119,096	1,141,349	0.4	-0.2	1.0	2.0
Unemployed Persons	37,152	50,711	72,061	68,904	65,151	-11.8	-11.8	39.7	16.0
Unemployment Rate	3.3	4.4	6.1	5.8	5.4				
U.S. Rate	4.0	4.8	5.8	6.1	5.9				
Total Nonfarm Jobs	1,074,879	1,081,685	1,073,746	1,072,800	1,087,700	0.6	-0.7	-0.1	1.4
Mining	7,350	7,209	6,880	6,600	6,500	-1.9	-4.6	-4.1	-1.5
Construction	72,239	71,621	67,838	67,100	67,300	-0.9	-5.3	-1.1	0.3
Manufacturing	125,675	122,093	113,873	112,000	113,100	-2.9	-6.7	-1.6	1.0
Trade, Trans., Utilities	218,929	219,945	216,032	214,900	217,900	0.5	-1.8	-0.5	1.4
Information	34,950	33,512	31,004	30,400	31,600	-4.1	-7.5	-1.9	3.9
Financial Activity	58,784	62,213	63,352	63,800	63,500	5.8	1.8	0.7	-0.5
Professional & Business Services	139,298	136,645	131,912	132,400	136,100	-1.9	-3.5	0.4	2.8
Education & Health Services	101,810	109,516	113,696	116,200	118,100	7.6	3.8	2.2	1.6
Leisure & Hospitality	96,876	98,345	100,943	100,200	101,300	1.5	2.6	-0.7	1.1
Other Services	28,849	30,471	32,970	32,600	33,600	5.6	8.2	-1.1	3.1
Government	190,119	190,115	195,246	196,600	198,700	0.0	2.7	0.7	1.1
Goods-producing	205,264	200,923	188,591	185,700	186,900	-2.1	-6.1	-1.5	0.6
Service-producing	869,615	880,762	885,155	887,100	900,800	1.3	0.5	0.2	1.5
Percent Svc.-producing	80.9%	81.4%	82.4%	82.7%	82.8%				
Total Nonag Wages (millions)	$30,975	$32,060	$32,333	$32,760	$33,890	3.5	0.9	1.3	3.4
Average Annual Wage	$28,817	$29,639	$30,112	$30,537	$31,157	2.9	1.6	1.4	2.0
Average Monthly Wage	$2,401	$2,470	$2,509	$2,545	$2,596	2.9	1.6	1.4	2.0
Establishments (first quarter)	63,723	66,287	67,876	69,197					

p = preliminary
f = forecast

Note: Numbers in this table may differ from other tables due to different data sources.

Source: Utah Department of Workforce Services, Workforce Information.

Table 27
Utah's Civilian Labor Force and Components by Planning District and County: 2002

County	Civilian Labor Force	Total Employed	Total Unemployed	Unemployment Rate
State Total	1,180,007	1,107,946	72,061	6.1
Beaver	2,546	2,422	124	4.9
Box Elder	18,472	17,224	1,248	6.8
Cache	47,915	45,866	2,049	4.3
Carbon	9,520	8,857	663	7.0
Daggett	467	445	22	4.7
Davis	124,391	117,947	6,444	5.2
Duchesne	6,544	5,991	553	8.5
Emery	3,927	3,544	383	9.8
Garfield	2,828	2,497	331	11.7
Grand	5,469	5,066	403	7.4
Iron	15,891	15,053	838	5.3
Juab	3,988	3,677	311	7.8
Kane	2,884	2,763	121	4.2
Millard	4,888	4,624	264	5.4
Morgan	3,850	3,656	194	5.0
Piute	569	523	46	8.1
Rich	1,088	1,032	56	5.1
Salt Lake	514,614	482,260	32,354	6.3
San Juan	4,693	4,257	436	9.3
Sanpete	9,217	8,566	651	7.1
Sevier	8,800	8,305	495	5.6
Summit	16,647	15,186	1,461	8.8
Tooele	14,143	12,747	1,396	9.9
Uintah	12,563	11,714	849	6.8
Utah	181,342	170,739	10,603	5.8
Wasatch	7,548	6,954	594	7.9
Washington	45,435	43,367	2,068	4.6
Wayne	1,601	1,495	106	6.6
Weber	108,169	101,170	6,999	6.5
Salt Lake-Ogden MSA	747,174	701,377	45,797	6.1

Note: Numbers have been left unrounded for convenience rather than to denote accuracy.

Source: Utah Department of Workforce Services, Workforce Information.

Table 28
Utah's Largest Nonagricultural Employers: 2002

Firm Name	Business	Employment Range
INTERMOUNTAIN HEALTH	Hospitals and Clinics	20000+
STATE OF UTAH	State Government	20000+
UNIVERSITY OF UTAH (INC. HOSPITAL)	Higher Education	15000-19999
BRIGHAM YOUNG UNIVERSITY	Higher Education	15000-19999
HILL AIR FORCE BASE	Military Installation	10000-14999
WAL-MART STORES	Department Stores	7000-9999
GRANITE SCHOOL DISTRICT	Public Education	7000-9999
JORDAN SCHOOL DISTRICT	Public Education	7000-9999
CONVERGYS	Telemarketing	7000-9999
KROGER GROUP	Department/Grocery Stores	5000-6999
INTERNAL REVENUE SERVICE	Federal Government	5000-6999
DAVIS SCHOOL DISTRICT	Public Education	5000-6999
SALT LAKE COUNTY	Local Government	5000-6999
UTAH STATE UNIVERSITY	Higher Education	5000-6999
US POSTAL SERVICE	Mail Distribution	5000-6999
ALPINE SCHOOL DISTRICT	Public Education	5000-6999
NOVUS (DISCOVER CARD)	Consumer Loans	5000-6999
ALBERTSON'S	Grocery Stores	4000-4999
AUTOLIV ASP	Automotive Components Mfg.	4000-4999
DELTA AIRLINES	Air Transportation	4000-4999
ATK THIOKOL PROPULSION	Aerospace Equipment Mfg.	4000-4999
SALT LAKE CITY SCHOOL DISTRICT	Public Education	3000-3999
ZIONS FIRST NAT'L BANK	Banking	3000-3999
WEBER SCHOOL DISTRICT	Public Education	3000-3999
ICON HEALTH & FITNESS	Exercise Equipment Mfg.	3000-3999
UNITED PARCEL SERVICE	Courier Service	3000-3999
SALT LAKE CITY CORP	Local Government	3000-3999
WEBER STATE UNIVERSITY	Higher Education	2000-2999
UTAH VALLEY STATE COLLEGE	Higher Education	2000-2999
SALT LAKE COMMUNITY COLLEGE	Higher Education	2000-2999
QWEST COMMUNICATIONS	Telephone Service/Communications	2000-2999
NEBO SCHOOL DISTRICT	Public Education	2000-2999
PROVO CITY SCHOOL DISTRICT	Public Education	2000-2999
HOME DEPOT	Building Supply Store	2000-2999
WASHINGTON SCHOOL DISTRICT	Public Education	2000-2999
SKYWEST AIRLINES	Air Transportation	2000-2999
PACIFICORP(UTAH POWER)	Electric Power Generation and Dist.	2000-2999
JC PENNEY COMPANY	Department Stores	2000-2999

Source: Utah Department of Workforce Services, Workforce Information.

Table 29
Employment Status of Utah's Civilian Noninstitutional Population by Sex & Age: 2002 Annual Averages

		Civilian Labor Force			Unemployment		
	Civilian Noninstitutional Population	Number	Percent of Population	Total Employment	Number	Rate	Error Range of Rate*
Total	1,655,000	1,180,000	71.3	1,108,000	72,000	6.1	5.5 - 6.7
16 to 19 years	166,000	101,000	60.8	85,000	16,000	15.8	13.0 - 18.8
20 to 24 years	234,000	194,000	82.9	177,000	17,000	8.8	7.1 - 10.7
25 to 34 years	321,000	290,000	90.3	276,000	14,000	4.8	3.7 - 5.9
35 to 44 years	289,000	241,000	83.4	230,000	11,000	4.6	3.5 - 5.9
45 to 54 years	246,000	206,000	83.7	198,000	8,000	3.9	3.0 - 5.6
55 to 64 years	174,000	117,000	67.2	114,000	3,000	2.6	1.5 - 4.3
65 and over	194,000	30,000	15.5	28,000	2,000	6.7	1.2 - 8.2
Men							
Total	818,000	657,000	80.3	619,000	38,000	5.8	5.0 - 6.6
16 to 19 years	80,000	47,000	58.8	39,000	8,000	17.0	13.6 - 22.0
20 to 24 years	118,000	104,000	88.1	93,000	11,000	10.6	8.2 - 13.4
25 to 34 years	182,000	173,000	95.1	166,000	7,000	4.0	2.6 - 5.4
35 to 44 years	147,000	139,000	94.6	135,000	4,000	2.9	1.7 - 4.3
45 to 54 years	118,000	110,000	93.2	105,000	5,000	4.5	2.6 - 6.2
55 to 64 years	85,000	63,000	74.1	61,000	2,000	3.2	1.0 - 4.8
65 and over							
Women							
Total	837,000	523,000	62.5	489,000	34,000	6.5	5.4 - 7.4
16 to 19 years	87,000	54,000	62.1	46,000	8,000	14.8	10.4 - 18.0
20 to 24 years	116,000	90,000	77.6	84,000	6,000	6.7	4.3 - 8.9
35 to 44 years	170,000	116,000	68.2	110,000	6,000	5.2	3.9 - 7.9
45 to 54 years	142,000	102,000	71.8	95,000	7,000	6.9	4.7 - 9.1
55 to 64 years	129,000	97,000	75.2	93,000	4,000	4.1	2.4 - 6.0
65 and over	89,000	54,000	60.7	53,000	1,000	1.9	.8 - 4.8
Hispanic Origin	159,000	122,000	76.7	112,000	10,000	8.2	5.9 - 10.3
Men	90,000	74,000	82.2	70,000	4,000	5.4	3.9 - 8.9
Woman	69,000	47,000	68.1	42,000	5,000	10.6	7.0 - 14.6

* 90-percent confidence interval.
Note: Numbers in this table differ from other tables due to rounding.
Source: U.S. Bureau of Labor Statistics, unpublished printout.

Personal Income

Overview

Utah's 2003 forecasted total personal income of $57.1 billion is anticipated to be 2.0% above the 2002 preliminary estimate of $56 billion. This was slightly below the U.S. growth forecast of 2.2%. Utah's 2003 per capita personal income was forecasted at $24,330, an increase of only 0.7% over the 2002 estimate. The most recent available income estimates for Utah from the U.S. Bureau of Economic Analysis (BEA) are for 2002. According to BEA, Utah's 2002 per capita income of $24,157 ranks 46th among the 50 states (excluding Washington D.C.).

2002 Summary and 2003 Outlook

Utah's 2003 total personal income (TPI) is forecasted at $57.1 billion, up 2.0% from the 2002 total. In 2002, Utah's personal income growth of 2.2% was the weakest in at least 40 years. This sub-standard performance was a direct result of the recent economic recession. The 2003 forecast TPI growth of 2.0% was even lower than the poor performance in 2002. The U.S. TPI growth of 2.5% for 2002 was also the lowest seen by the nation in over 40 years. This has been a powerful and prolonged economic downturn.

Per capita personal income (PCI) is an area's annual total personal income divided by the total population as of July 1 of that year. Utah's 2003 PCI was approximately $24,330, an increase of only 0.7% over the 2002 estimate. Utah's 2003 PCI was just over 78% of the national PCI. Utah's PCI, as a percent of the national PCI, rose in the early 1990s from 77%, leveling off around 81% in 1997, and has fallen slightly since. Utah's PCI weakness against the national average is a combination of two factors: 1) The state's average wages are moderately below the national average, and 2) Utah has the youngest population, as well as the largest family size in the nation. This means that in the PCI calculation (TPI divided by population), we have a higher percentage of non-wage earners in our denominator than does any other state.

Composition of Total Personal Income. The largest single component of total personal income is "earnings by place of work." This portion consists of the total earnings from farm and nonfarm industries, including contributions for social insurance. In 2002, Utahns' earnings by place of work reached $42.8 billion, representing 76% of TPI. About 10% of this figure was proprietors' income, while 90% was wages, salaries, and other labor income. Nonfarm earnings ($42.5 billion) were over 99% of total earnings while farm income comprised less than 1%. Private sector nonfarm earnings accounted for 80% of nonfarm earnings, while earnings from public (government) industries made up 20%. Although earnings from government employment have been declining as a share of Utah's total earnings, it is still relatively more important than the U.S. share (20% and 18%, respectively).

The other two major components of TPI are dividends, interest, and rent (DIR) and transfer payments. In 2002, DIR amounted to $9.2 billion and transfer payments (such as social security, welfare, or retirement) were $6.5 billion. Some of the major differences between the economic compositions of Utah and the United States lie within these two parameters. Perhaps the most significant difference is that Utah transfer payments comprise a much smaller share of TPI than the national figure (12% versus 15%). DIR is also relatively smaller; thus, Utahns rely to a greater extent on wage earnings.

The evolution of the industrial composition of Utah's TPI has changed in recent years. In 1980, prior to the last two recessions, goods-producing industries (natural resources and mining, construction, manufacturing) generated over 30% of Utah's total earnings. By 2002 that share had dropped to 19%. In the U.S., 20% of earnings are currently within goods-producing jobs.

Government is the largest wage income industry in Utah. It generates 20% of all the wage income earned in Utah. It is also the largest wage income industry at the national level at 17%. Trade, transportation, utilities is not far behind, producing 18% of Utah's wage earnings. This sector employs more workers than does the government sector, but the wage levels paid are considerably below those paid within the government sector. Professional and business services provide 14% of Utah's wages. Having a high wage-income percentage in professional and business services is desired because many of these businesses are high paying, knowledge-based jobs. The manufacturing industry, despite its recent deterioration, accounts for 11% of Utah's wage earnings. Manufacturing accounts for 12% of wage earnings nationally.

Per Capita Personal Income. Utah's 2002 per capita personal income of $24,157 ranked 46th among the 50 states (excluding Washington D.C.). During the 1970s, Utah's PCI ranged between 83% and 85% of the United States PCI. From 1977 to 1989, this parameter dropped 10 percentage points from 85% to 75%. From 1989 to 1997, gradual improvements in this comparison occurred, peaking at 81% in 1997 then slipping back to 79% after 2000.

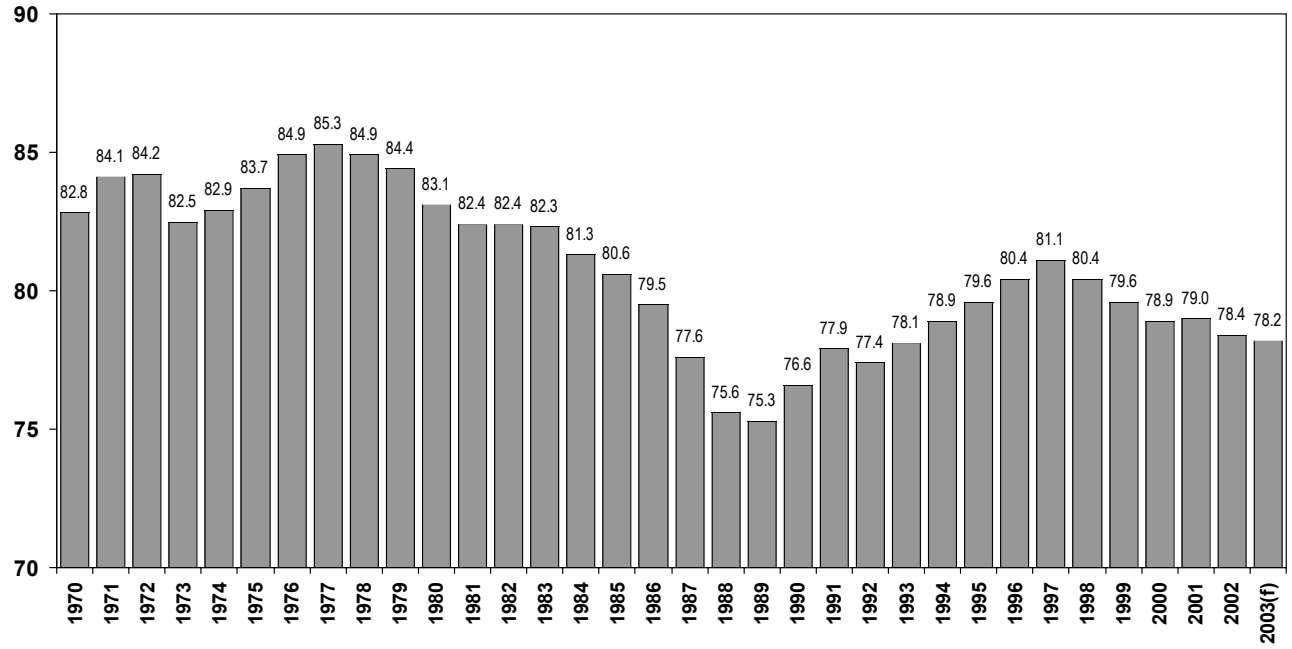
County Personal and Per Capita Income. Forecasts for Utah's total personal income by county showed that none of Utah's 29 counties posted double-digit growth between 2001 and 2002. The percentages may change as this data is revised in the future, but it was a recession-impacted year, so there is the possibility that the data will hold. Washington County has enjoyed employment growth through the economic recession, and registered growth of over 8% from 2001 to 2002. Most counties experienced growth in the 2% to 4% range, although the state's two largest counties, Salt Lake and Utah, experienced total personal income growth of less than 1%.

Four counties, Summit, Salt Lake, Kane, and Davis, had 2002 per capita income estimates higher than the state average. Summit County ($43,064) was the highest, exceeding the state average by 78%. At only 55% of the Utah average, San Juan County ($13,220) was the lowest. The 2002 per capita income of the United States ($30,832) was higher than that of all of Utah's counties except Summit County.

Conclusion

The slowing year-over gains in Utah's total and per capita personal income estimates are a direct reflection of the current contraction in Utah's economy. Utah's average, to a greater degree than the national average, relies heavily upon wage earnings for its income generation. Lost jobs have a strong negative impact on total personal income. Moreover, the average annual pay of Utah's workers is somewhat lower than the U.S. average, which contributes to the state's lower ranking in per capita personal income.

Figure 32
Utah Per Capita Personal Income as a Percent of U.S.



f = forecast

Sources: U.S. Department of Commerce, U.S. Bureau of Economic Analysis, and the Governor's Office of Planning and Budget

Table 30
Components of Utah's Total Personal Income

Components	Millions of Dollars 2001(r)	Millions of Dollars 2002(p)	Percent Change 01-02	2002 Percent Distribution Utah	2002 Percent Distribution U.S.	Industry Distribution Utah	Industry Distribution U.S.
Personal income	54,764	55,953	2.2	100.0	100.0		
Earnings by place of work	42,234	42,772	1.3	76.4	71.2		
less: Personal contrb. for social insurance	2,406	2,483	3.2	4.4	4.3		
plus: Adjustment for residence	27	2	-92.6	0.0	0.0		
equals: Net earnings by place of residence	39,856	40,291	1.1	72.0	66.9		
plus: Dividends, interest, and rent	9,062	9,172	1.2	16.4	18.1		
plus: Transfer payments	5,845	6,490	11.0	11.6	15.0		
Components of earnings	42,235	42,772	1.3	76.4	71.2		
Wage and salary disbursements	33,796	33,972	0.5	60.7	55.3		
Other labor income	4,203	4,529	7.8	8.1	7.0		
Proprietors' income	4,236	4,271	0.8	7.6	9.0		
Farm proprietors' income	188	121	-35.6	0.2	0.3		
Nonfarm proprietors' income	4,048	4,150	2.5	7.4	8.6		
Earnings by industry	42,234	42,772	1.3	76.4	71.2	100.0	100.0
Farm earnings	297	238	-19.9	0.4	0.6	0.6	0.8
Nonfarm earnings	41,937	42,534	1.4	76.0	70.7	99.4	99.2
Private earnings	34,008	34,054	0.1	60.9	58.8	79.6	82.2
Natural Resources and Mining	514	489	-4.9	0.9	0.8	1.1	1.2
Construction	3,034	2,935	-3.3	5.2	4.5	6.9	6.3
Manufacturing	5,148	4,852	-5.7	8.7	8.7	11.3	12.2
Durable goods	3,634	3,396	-6.5	6.1	5.6	7.9	7.9
Nondurable goods	1,514	1,456	-3.8	2.6	3.1	3.4	4.3
Trade, Transportation, Utilities	7,557	7,680	1.6	13.7	11.5	18.0	16.1
Wholesale trade	2,022	2,020	-0.1	3.6	3.6	4.7	5.1
Retail trade	3,248	3,337	2.7	6.0	4.8	7.8	6.8
Information	1,603	1,490	-7.0	2.7	2.9	3.5	4.1
Financial Activities	2,991	3,140	5.0	5.6	6.6	7.3	9.2
Professional & Business Services	6,002	5,839	-2.7	10.4	10.5	13.7	14.8
Educational & Health Services	3,673	3,942	7.3	7.0	7.8	9.2	11.0
Leisure & Hospitality	1,828	2,016	10.3	3.6	3.2	4.7	4.4
Other Services	1,659	1,671	0.7	3.0	2.0	3.9	2.8
Government and government enterprises	7,929	8,480	6.9	15.2	12.1	19.8	17.1
Federal, civilian	2,068	2,185	5.7	3.9	2.4	5.1	3.3
Military	458	561	22.5	1.0	1.1	1.3	1.6
State	2,199	2,324	5.7	4.2	2.4	5.4	3.3
Local	3,205	3,410	6.4	6.1	7.3	8.0	8.9
Population (thousands)	2,279	2,316					
Per capita personal income (dollars)	24,033	24,157					

r = revised
p= preliminary

Note: The above population estimates, prepared by the U.S. Department of Commerce, differ somewhat from Utah Population Estimates Committee numbers.
Sources: U.S. Department of Commerce, Bureau of Economic Analysis, November 2003

Table 31
Personal and Per Capita Income -- Utah and U.S.

Year	Total Personal Income (millions of dollars)		Annual Growth Rates		Per Capita Personal Income (dollars)		
	Utah	U.S.	Utah	U.S.	Utah	U.S.	Utah as % of U.S.
1960	$1,832	$409,617	6.9	4.4	$2,035	$2,276	89.4
1961	1,958	427,094	6.9	4.3	2,091	2,334	89.6
1962	2,137	454,486	9.1	6.4	2,230	2,447	91.1
1963	2,221	477,521	4.0	5.1	2,281	2,534	90.0
1964	2,334	511,831	5.1	7.2	2,386	2,679	89.1
1965	2,472	553,074	5.9	8.1	2,494	2,859	87.2
1966	2,629	601,119	6.3	8.7	2,605	3,075	84.7
1967	2,773	644,282	5.5	7.2	2,721	3,264	83.4
1968	2,984	707,542	7.6	9.8	2,900	3,550	81.7
1969	3,249	774,262	8.9	9.4	3,103	3,846	80.7
1970	3,614	834,455	11.2	7.8	3,391	4,095	82.8
1971	4,026	899,249	11.4	7.8	3,658	4,348	84.1
1972	4,514	988,362	12.1	9.9	3,979	4,723	84.2
1973	5,057	1,107,992	12.0	12.1	4,326	5,242	82.5
1974	5,686	1,220,181	12.4	10.1	4,743	5,720	82.9
1975	6,355	1,326,214	11.8	8.7	5,150	6,155	83.7
1976	7,302	1,469,752	14.9	10.8	5,739	6,756	84.9
1977	8,331	1,630,901	14.1	11.0	6,328	7,421	85.3
1978	9,606	1,841,340	15.3	12.9	7,041	8,291	84.9
1979	11,026	2,072,839	14.8	12.6	7,786	9,230	84.4
1980	12,464	2,313,921	13.0	11.6	8,464	10,183	83.1
1981	14,078	2,588,335	13.0	11.9	9,290	11,280	82.4
1982	15,282	2,756,954	8.5	6.5	9,807	11,901	82.4
1983	16,481	2,935,040	7.8	6.5	10,333	12,554	82.3
1984	18,223	3,260,064	10.6	11.1	11,233	13,824	81.3
1985	19,462	3,498,662	6.8	7.3	11,846	14,705	80.6
1986	20,367	3,697,359	4.6	5.7	12,248	15,397	79.5
1987	21,208	3,945,515	4.1	6.7	12,638	16,284	77.6
1988	22,225	4,255,000	4.8	7.8	13,156	17,403	75.6
1989	23,843	4,582,429	7.3	7.7	13,977	18,566	75.3
1990	25,939	4,885,525	8.8	6.6	14,996	19,584	76.6
1991	27,750	5,065,416	7.0	3.7	15,603	20,039	77.9
1992	29,788	5,376,622	7.3	6.1	16,234	20,979	77.4
1993	31,950	5,598,446	7.3	4.1	16,844	21,557	78.1
1994	34,579	5,878,362	8.2	5.0	17,651	22,358	78.9
1995	37,278	6,192,235	7.8	5.3	18,514	23,272	79.6
1996	40,354	6,538,103	8.3	5.6	19,519	24,286	80.4
1997	43,696	6,928,545	8.3	6.0	20,618	25,427	81.1
1998	46,781	7,418,497	7.1	7.1	21,624	26,909	80.4
1999	48,923	7,779,511	4.6	4.9	22,202	27,880	79.6
2000	52,623	8,398,796	7.6	8.0	23,476	29,770	78.9
2001	54,764	8,677,490	4.1	3.3	24,033	30,413	79.0
2002(p)	55,953	8,891,093	2.2	2.5	24,157	30,832	78.4
2003(f)	57,072	9,086,697	2.0	2.2	24,330	31,100	78.2

p = preliminary
f = forecast

Sources: U.S. Department of Commerce, Bureau of Economic Analysis, and Utah Department of Workforce Services

Table 32
Total Personal Income by District and County

	Millions of Dollars				Percent Change		
	1999	2000	2001(p)	2002(f)	99-00	00-01	01-02
State Total	$48,922.8	$52,517.8	$54,763.9	$55,953.2	7.3	4.3	2.2
Bear River	2,536.8	2,650.7	2,790.3	2,899.0	4.5	5.3	3.9
Box Elder	873.3	923.0	974.0	1,001.2	5.7	5.5	2.8
Cache	1,630.5	1,695.4	1,783.8	1,864.4	4.0	5.2	4.5
Rich	33.0	32.3	32.5	33.4	-2.1	0.6	2.8
Wasatch Front	33,480.9	35,928.6	37,269.7	37,919.4	7.3	3.7	1.7
North	9,631.4	10,342.2	10,793.0	11,146.0	7.4	4.4	3.3
Davis	5,318.2	5,758.7	6,022.4	6,249.6	8.3	4.6	3.8
Morgan	141.4	154.6	164.0	166.2	9.3	6.1	1.3
Weber	4,171.8	4,428.9	4,606.6	4,730.2	6.2	4.0	2.7
South	23,849.5	25,586.4	26,476.7	26,773.4	7.3	3.5	1.1
Salt Lake	23,195.2	24,851.7	25,665.7	25,900.0	7.1	3.3	0.9
Tooele	654.3	734.7	811.0	873.4	12.3	10.4	7.7
Mountainland	7,871.8	8,589.9	8,998.5	9,161.5	9.1	4.8	1.8
Summit	1,097.7	1,191.0	1,303.3	1,388.2	8.5	9.4	6.5
Utah	6,468.5	7,063.3	7,339.2	7,401.3	9.2	3.9	0.8
Wasatch	305.6	335.6	356.0	372.0	9.8	6.1	4.5
Central	1,024.9	1,063.4	1,141.6	1,178.9	3.8	7.4	3.3
Juab	121.0	128.4	134.3	137.6	6.1	4.6	2.5
Millard	205.2	206.8	231.7	237.1	0.8	12.0	2.3
Piute	21.9	21.3	23.8	24.0	-2.7	11.7	0.8
Sanpete	318.4	330.0	349.7	363.3	3.6	6.0	3.9
Sevier	313.3	330.0	351.8	366.2	5.3	6.6	4.1
Wayne	45.1	46.9	50.3	50.7	4.0	7.2	0.8
Southwestern	2,414.3	2,614.1	2,780.3	2,963.1	8.3	6.4	6.6
Beaver	108.9	123.4	140.7	148.2	13.3	14.0	5.3
Garfield	78.8	81.7	82.2	82.9	3.7	0.6	0.9
Iron	512.0	545.0	582.2	606.4	6.4	6.8	4.2
Kane	129.7	143.2	148.8	148.2	10.4	3.9	-0.4
Washington	1,584.9	1,720.8	1,826.4	1,977.4	8.6	6.1	8.3
Uintah Basin	640.5	697.8	790.8	817.0	8.9	13.3	3.3
Daggett	13.2	13.2	14.5	14.9	0.0	9.8	2.8
Duchesne	238.4	257.0	288.2	299.4	7.8	12.1	3.9
Uintah	388.9	427.6	488.1	502.7	10.0	14.1	3.0
Southeastern	953.6	973.3	992.9	1,014.3	2.1	2.0	2.2
Carbon	424.7	436.7	445.5	460.3	2.8	2.0	3.3
Emery	182.2	188.0	190.5	191.1	3.2	1.3	0.3
Grand	168.0	171.0	178.2	180.6	1.8	4.2	1.3
San Juan	178.7	177.6	178.7	182.3	-0.6	0.6	2.0
Salt Lake - Ogden MSA	32,685.2	35,039.3	36,294.7	36,879.8	7.2	3.6	1.6
U.S. percent change	--	--	--	--	4.9	8.0	3.3

p = preliminary
f = forecast

Sources: 1999-2001: U.S. Dept. of Commerce, Bureau of Economic Analysis, May, May 2003;
2002: Utah Department of Workforce Services, Workforce Information, November 2003.

Table 33
Per Capita Income by District and County

	Millions of Dollars				Percent Change		
	1999	2000	2001(p)	2002(f)	99-00	00-01	01-02
State Total	$22,202	$23,476	$24,033	$24,157	5.7	2.4	0.5
Bear River	18,847	19,389	20,304	20,513	2.9	4.7	1.0
Box Elder	20,608	21,523	22,464	22,852	4.4	4.4	1.7
Cache	18,057	18,487	19,365	19,531	2.4	4.7	0.9
Rich	17,153	16,418	16,581	16,293	-4.3	1.0	-1.7
Wasatch Front	24,514	25,862	26,331	26,515	5.5	1.8	0.7
North	22,060	23,244	23,875	24,180	5.4	2.7	1.3
Davis	22,543	23,963	24,649	24,974	6.3	2.9	1.3
Morgan	20,222	21,596	22,517	22,618	6.8	4.3	0.4
Weber	21,538	22,431	22,981	23,269	4.1	2.5	1.3
South	25,825	27,147	27,739	27,711	5.1	2.2	-0.1
Salt Lake	26,029	27,587	28,188	28,121	6.0	2.2	-0.2
Tooele	17,182	17,628	18,434	18,923	2.6	4.6	2.7
Mountainland	19,426	20,634	21,024	20,946	6.2	1.9	-0.4
Summit	37,846	39,702	42,102	43,064	4.9	6.0	2.3
Utah	17,887	19,046	19,271	19,141	6.5	1.2	-0.7
Wasatch	20,966	21,740	21,969	22,081	3.7	1.1	0.5
Central	15,623	16,250	16,634	17,036	4.0	2.4	2.4
Juab	14,982	15,502	15,849	15,920	3.5	2.2	0.5
Millard	16,526	16,652	18,634	19,222	0.8	11.9	3.2
Piute	15,353	14,844	17,195	17,033	-3.3	15.8	-0.9
Sanpete	14,121	14,462	15,077	15,427	2.4	4.3	2.3
Sevier	16,762	17,474	18,505	19,041	4.2	5.9	2.9
Wayne	18,456	18,479	19,776	20,248	0.1	7.0	2.4
Southwestern	17,553	18,405	19,064	19,372	4.9	3.6	1.6
Beaver	18,219	20,494	23,344	23,580	12.5	13.9	1.0
Garfield	16,946	17,208	17,546	17,841	1.5	2.0	1.7
Iron	15,572	16,047	16,873	17,078	3.1	5.1	1.2
Kane	21,672	23,561	24,751	24,874	8.7	5.1	0.5
Washington	18,001	18,864	19,303	19,654	4.8	2.3	1.8
Uintah Basin	15,825	17,199	19,208	19,566	8.7	11.7	1.9
Daggett	15,080	14,223	15,981	16,266	-5.7	12.4	1.8
Duchesne	16,565	17,874	19,829	20,153	7.9	10.9	1.6
Uintah	15,431	16,922	18,972	19,347	9.7	12.1	2.0
Southeastern	17,578	17,985	18,852	19,204	2.3	4.8	1.9
Carbon	20,641	21,436	22,524	23,180	3.9	5.1	2.9
Emery	16,689	17,328	17,874	17,933	3.8	3.2	0.3
Grand	20,103	20,079	20,710	20,919	-0.1	3.1	1.0
San Juan	12,406	12,349	13,108	13,220	-0.5	6.1	0.9
Salt Lake - Ogden MSA	24,748	26,176	26,780	26,940	5.8	2.3	0.6
U.S.	27,880	29,760	30,413	30,832	4.9	8.0	3.3

p = preliminary
f = forecast

Sources: 1999-2001: U.S. Dept. of Commerce, Bureau of Economic Analysis, May, May 2003;
2002: Utah Department of Workforce Services, Workforce Information, November 2003.

Gross State Product

Overview

Gross State Product (GSP) is the market value of final goods and services produced by the labor and property located in a state. It is the state counterpart to the national Gross Domestic Product (GDP). Conceptually, GSP is gross output less intermediate inputs. The Bureau of Economic Analysis (BEA) released revisions of GSP for 1999 and 2000 and estimates of GSP for 2001 in May 2003.

Nominal GSP

Utah's current dollar GSP was estimated by BEA to be $68.430 billion in 2000 and $70.409 billion in 2001. This represents a growth rate of 2.9%, the 18th-highest rate in the nation. The 2.9% growth is a large decrease from the previous year when Utah nominal GSP grew at a rate of 9.3%. The national average growth in nominal GSP from 2000 to 2001 was 2.7%, down from the previous year's 6.6%.

Real GSP

Utah's real GSP (measured in chain-weighted 1996 dollars) has been increasing since 1986. BEA estimated real GSP for Utah to be $63.565 billion in 2000 and $63.933 billion in 2001. This represents a 0.6% rate of growth, ranking Utah 23rd in the nation in terms of growth. The national average growth for real GSP during the same time period was 0.7%.

GSP Trends

Utah performed quite well through the 1990s in terms of real GSP growth. During the past 10 years, Utah has averaged 6.7% growth in real GSP compared to 4.7% for the nation. Throughout the decade, Utah experienced growth above 9% in four different years and was ranked among the top five fastest growing states during those four years as a result. At 1.0% growth, 1999 was the first year Utah experienced less than 2% growth in real GSP since 1986. In 2000, growth in real GSP rebounded to 6.5% before dropping to 0.6% in 2001.

Utah's industrial composition has evolved over time much like the U.S. In 1965, both the U.S. and Utah were natural resource and manufacturing based economies. Over the last part of the past century in both the U.S. and Utah, agriculture, mining, and manufacturing have decreased, and service and FIRE (finance, insurance, and real estate) have grown.

Real and Nominal GSP Methodology

GSP is a measure of production, as distinguished from income or spending. It is the sum of the value added by each industry in the state's economy and is expressed in dollars. Changes in nominal (current dollar) GSP from one year to the next result from quantity changes in production and product price changes. BEA attempts to separate these by calculating real (constant dollar) GSP, which theoretically holds prices constant.

Changes in real gross product for an industry reflect changes in the quantity of output, not the price of the product in the market. In order to calculate real GSP, price indices are constructed to account for the inflationary or deflationary prices. There are alternative approaches to the construction of price indices, and these have significant implications for the measurement of prices and quantity over time. When price indices are used to adjust current dollar GSP, the result is real GSP.

BEA has historically used a fixed weight approach to calculate real GSP. Observed relative prices in a base year are assumed constant over time. This introduces what is called "substitution bias," and tends to understate real growth in rapidly growing industries and overstate it in slower growth industries.

The currently used alternative is a chain-type index that reduces substitution bias but introduces additional complexities in interpretation and use.[1] The most recent BEA estimates include current dollar GSP and real GSP measured in chained 1996 dollars. Because of the problems mentioned earlier, real GSP measured in fixed weight 1996 dollars has not been included in the measurement.

Significant Issues

In June 1999, the Bureau of Economic Analysis made several major improvements to the way it estimates GSP. The revisions were centered in the manufacturing and financial services industries. As a result, 1996 manufacturing gross product was revised upward 13% for Utah, and the state as a whole is more productive than previously estimated.

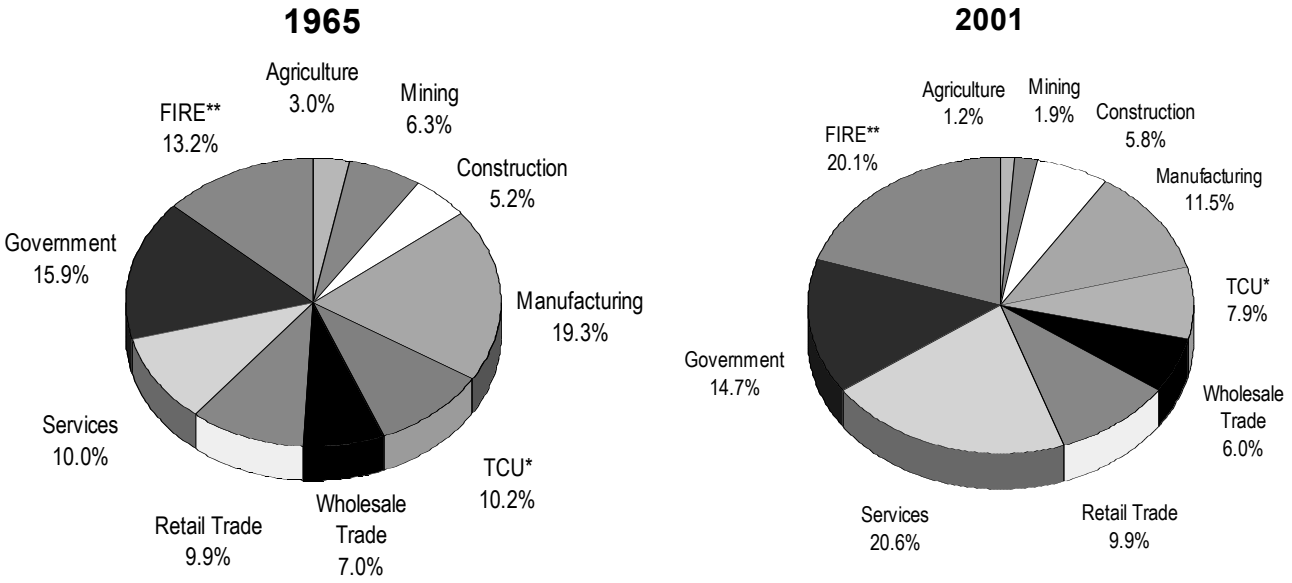
Another important change in GSP has to do with a 1999 reclassification of how GDP, or Gross Domestic Product, is calculated. Before the reclassification, software purchases were counted as an expense; they are now classified as an investment. Expenses are not included in the figuring of GDP, but investments are. Consequently, software sales, which are growing much faster than the economy as a whole, are now factored into the GDP figures.

Conclusion

Gross State Product is used to measure aggregate production in a state. After a decade of posting solid increases in aggregate production, Utah GSP growth slowed considerably in 2001. Growth in GSP is expected to continue, although in the near future it will be at a slower pace than during the past 10 years. GSP can also be utilized to show the change in industry composition over time and as such can prove useful in monitoring the diversity in the economic structure of Utah which is shifting towards a service based economy.

[1] J. Stephen Landefeld and Robert P. Perker, "BEA's Chain Indexes, Times Series, and Measures of Long-Term Economic Growth," Survey of Current Business 77 (May 1997): 58-68; and Howard L Friedenberg and Richard M. Beemiller, "Comprehensive Revision of Gross State Product by Industry, 1977-94," Survey of Current Business 77 (June 1997): 15-41.

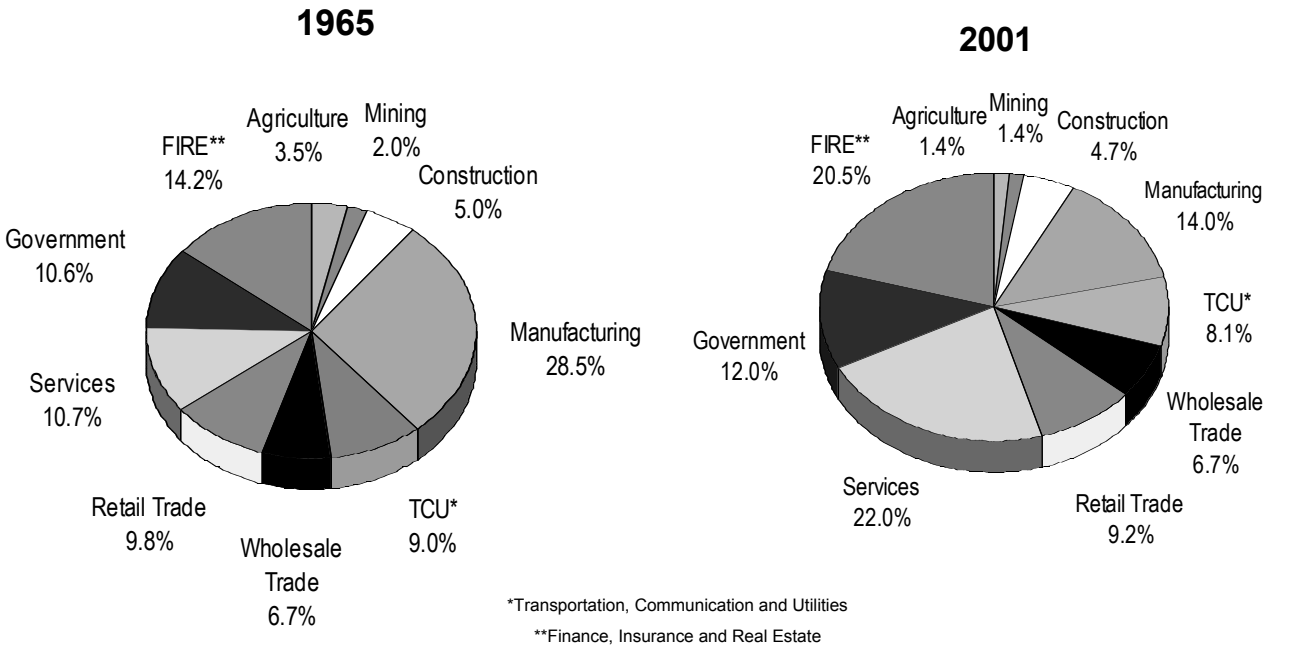
Figure 33
Utah Gross State Product -- Percent Share by Industry



*Transportation, Communication and Utilities
**Finance, Insurance and Real Estate

Source: U.S. Department of Commerce, Bureau of Economic Analysis

Figure 34
U.S. Gross Domestic Product -- Percent Share by Industry



*Transportation, Communication and Utilities
**Finance, Insurance and Real Estate

Source: U.S. Department of Commerce, Bureau of Economic Analysis

Table 34
Utah Gross State Product by Industry (Millions of Current Dollars): Selected Years

Industry	1986	1990	1995	1996	1997	1998	1999	2000	2001
Total Gross State Product	$24,473	$31,359	$46,290	$51,523	$55,070	$59,084	$62,635	$68,430	$70,409
Private industries	20,234	25,783	39,006	43,889	46,948	50,591	53,643	58,765	60,094
Ag. services, forestry, and fishing	356	502	510	562	603	658	708	729	874
Farms	298	427	378	409	436	460	486	470	592
Agricultural services	58	75	132	153	167	198	222	259	283
Mining	1,001	1,534	1,282	1,296	1,162	1,074	1,057	1,189	1,323
Metal mining	142	382	514	411	278	237	253	289	349
Coal mining	255	210	304	409	324	335	345	306	349
Oil and gas extraction	583	858	414	423	452	416	370	503	533
Nonmetallic minerals, except fuels	22	84	49	53	109	86	89	91	93
Construction	1,271	1,268	2,701	3,093	3,369	3,800	4,141	4,299	4,357
Manufacturing	3,472	4,638	6,681	8,115	7,753	7,998	8,281	9,154	8,079
Durable goods	2,382	3,216	4,434	5,186	5,037	5,164	5,337	5,920	5,057
Lumber and wood products	73	146	176	186	175	189	211	230	239
Furniture and fixtures	73	80	133	152	143	180	195	208	218
Stone, clay, and glass products	199	129	226	234	281	317	314	286	217
Primary metal industries	95	508	720	661	792	782	805	905	611
Fabricated metal products	210	294	425	478	525	485	549	584	553
Industrial machinery and equipment	749	446	570	1,306	710	830	596	767	523
Electronic and other electric equipment	287	400	341	348	428	358	472	404	412
Motor vehicles and equipment	47	129	639	495	550	599	602	642	585
Other transportation equipment	500	696	586	591	650	582	596	794	653
Instruments and related products	59	199	312	362	356	392	408	461	471
Miscellaneous manufacturing	91	188	305	374	427	449	588	640	574
Electronic equip. and instr.	345	599	653	709	784	750	880	865	883
Nondurable goods	1,090	1,423	2,247	2,929	2,716	2,834	2,944	3,234	3,022
Food and kindred products	381	384	576	597	681	626	705	619	613
Tobacco products	0	0	0	0	0	0	0	0	0
Textile mill products	3	25	20	16	14	19	20	21	22
Apparel and other textile products	81	66	74	79	68	71	57	51	49
Paper and allied products	62	91	228	301	284	259	344	375	336
Printing and publishing	264	300	413	505	588	610	616	632	595
Chemicals and allied products	118	207	448	891	540	576	558	635	731
Petroleum and coal products	137	253	346	359	334	456	388	727	388
Rubber and misc. plastics products	43	95	138	176	204	214	254	172	284
Leather and leather products	1	1	5	4	4	4	3	4	4
Transportation and public utilities	2,735	3,123	4,372	4,588	4,933	5,253	5,443	5,697	5,595
Transportation	1,047	1,393	2,043	2,149	2,406	2,597	2,682	2,719	2,485
Railroad transportation	277	216	272	266	270	230	226	238	252
Local and interurban passenger transit	26	21	31	35	41	49	52	58	61
Trucking and warehousing	436	589	846	915	1,012	1,158	1,178	1,210	1,220
Water transportation	2	1	2	2	4	5	6	7	8
Transportation by air	233	479	784	812	954	1,021	1,073	1,058	784
Pipelines, except natural gas	29	17	20	19	17	20	18	13	14
Transportation services	45	70	89	101	108	113	129	134	147
Communications	612	689	998	1,064	1,080	1,191	1,297	1,491	1,479
Electric, gas, and sanitary services	1,075	1,042	1,332	1,375	1,447	1,465	1,463	1,487	1,631
Wholesale trade	1,607	1,878	2,886	3,185	3,398	3,842	4,028	4,311	4,243
Retail trade	2,538	2,919	4,875	5,261	5,816	6,327	6,710	6,687	6,989
Finance, insurance, and real estate	3,395	4,111	6,658	7,951	9,079	9,796	10,423	12,927	14,135
Depository institutions	498	845	1,262	2,113	2,669	2,759	3,076	4,996	5,636
Nondepository institutions	131	119	358	428	577	683	687	790	973
Security and commodity brokers	70	83	127	194	212	244	234	296	356
Insurance carriers	150	227	523	555	666	727	722	786	750
Insurance agents, brokers, and services	103	175	307	337	349	369	383	403	423
Real estate	2,341	2,647	4,047	4,339	4,606	4,954	5,301	5,573	5,813
Holding and other investment offices	103	15	34	(16)	(1)	60	20	83	184
Depository and nondepository institutions	629	964	1,620	2,541	3,246	3,441	3,763	5,786	6,608
Services	3,859	5,809	9,042	9,838	10,836	11,844	12,853	13,771	14,498
Hotels and other lodging places	190	240	357	396	453	501	554	596	633
Personal services	158	205	278	290	316	351	368	378	401
Business services	690	1,103	2,131	2,406	2,808	3,085	3,656	3,964	3,983
Auto repair, services, and parking	253	315	503	543	597	699	795	805	824
Miscellaneous repair services	99	124	156	169	168	192	197	208	222
Motion pictures	86	70	160	174	182	168	183	173	198
Amusement and recreation services	134	185	303	348	391	464	464	525	608
Health services	1,007	1,623	2,377	2,583	2,749	2,911	2,970	3,164	3,356
Legal services	207	284	398	369	422	475	485	571	606
Educational services	224	328	434	449	476	506	567	628	686
Social services	56	99	192	220	247	275	298	344	390
Other services	276	614	986	1,088	1,213	1,362	1,459	1,527	1,672
Membership organizations	460	591	729	765	775	808	816	843	881
Private households	21	28	37	38	39	45	41	44	39
Business serv. and other serv.	965	1,717	3,117	3,494	4,021	4,448	5,115	5,492	5,655
Government	4,239	5,575	7,283	7,634	8,122	8,493	8,992	9,665	10,315
Federal, civilian	1,491	1,771	2,039	2,009	2,062	2,130	2,275	2,588	2,736
Federal military	368	439	476	502	503	512	537	579	617
State and local	2,380	3,365	4,769	5,123	5,556	5,851	6,180	6,498	6,963

Source: U.S. Bureau of Economic Analysis

Table 35
Utah Real Gross State Product by Industry (Millions of Chained 1996 Dollars): Selected Years

Industry	1986	1990	1995	1996	1997	1998	1999	2000	2001
Total Gross State Product	$32,385	$36,301	$46,965	$51,523	$53,999	$57,011	$59,683	$63,565	$63,933
Private industries	26,025	29,305	39,483	43,889	46,111	48,974	51,438	54,977	55,073
Ag. services, forestry, and fishing	446	537	575	562	670	756	881	941	1,054
Farms	366	452	441	409	512	572	698	728	839
Agricultural services	85	90	135	153	161	186	195	218	231
Mining	919	1,304	1,286	1,296	1,200	1,309	1,307	1,220	1,399
Metal mining	154	323	435	411	310	340	409	442	589
Coal mining	123	134	286	409	341	373	433	395	463
Oil and gas extraction	697	862	530	423	438	510	398	333	352
Nonmetallic minerals, except fuels	25	87	49	53	104	83	83	91	91
Construction	1,681	1,482	2,787	3,093	3,234	3,481	3,580	3,522	3,375
Manufacturing	4,042	4,997	6,691	8,115	7,728	7,928	8,416	9,190	7,988
Durable goods	2,626	3,430	4,410	5,186	5,114	5,332	5,617	6,394	5,514
Lumber and wood products	119	204	173	186	168	181	196	229	238
Furniture and fixtures	97	93	141	152	140	170	179	193	195
Stone, clay, and glass products	222	150	230	234	276	300	283	262	200
Primary metal industries	120	513	674	661	793	802	910	1,011	725
Fabricated metal products	255	322	443	478	517	460	502	547	507
Industrial machinery and equipment	536	353	535	1,306	785	1,025	808	1,104	786
Electronic and other electric equipment	172	259	299	348	470	474	730	777	965
Motor vehicles and equipment	70	187	671	495	553	600	580	625	569
Other transportation equipment	656	871	607	591	642	565	565	725	567
Instruments and related products	94	279	348	362	331	334	334	370	352
Miscellaneous manufacturing	114	217	314	374	421	432	557	616	542
Electronic equip. and instr.	307	541	645	709	794	802	997	1,083	1,167
Nondurable goods	1,425	1,565	2,279	2,929	2,619	2,608	2,808	2,840	2,503
Food and kindred products	506	437	633	597	653	576	622	542	528
Tobacco products	0	0	0	0	0	0	0	0	0
Textile mill products	3	25	21	16	14	18	18	20	20
Apparel and other textile products	91	71	76	79	68	69	53	48	47
Paper and allied products	88	106	202	301	307	261	340	331	299
Printing and publishing	455	423	455	505	557	546	529	535	480
Chemicals and allied products	174	247	440	891	538	543	535	611	706
Petroleum and coal products	126	183	321	359	272	367	449	565	235
Rubber and misc. plastics products	42	95	141	176	208	209	249	177	286
Leather and leather products	1	1	5	4	4	3	3	4	4
Transportation and public utilities	2,802	3,292	4,285	4,588	4,756	4,826	5,084	5,415	5,209
Transportation	1,005	1,389	1,954	2,149	2,270	2,286	2,356	2,434	2,193
Railroad transportation	205	198	262	266	267	216	219	240	244
Local and interurban passenger transit	41	30	33	35	41	45	49	54	55
Trucking and warehousing	442	578	823	915	922	969	972	1,015	962
Water transportation	2	1	1	2	4	5	6	6	7
Transportation by air	228	495	729	812	912	915	963	976	765
Pipelines, except natural gas	29	18	18	19	19	21	19	14	13
Transportation services	62	75	88	101	106	112	129	128	139
Communications	632	722	998	1,064	1,065	1,155	1,288	1,532	1,634
Electric, gas, and sanitary services	1,209	1,196	1,334	1,375	1,420	1,386	1,448	1,469	1,428
Wholesale trade	1,935	1,972	2,785	3,185	3,502	4,192	4,423	4,641	4,667
Retail trade	3,233	3,217	4,834	5,261	5,853	6,404	6,827	6,852	7,136
Finance, insurance, and real estate	5,071	5,148	6,899	7,951	8,716	9,160	9,556	11,424	12,296
Depository institutions	873	1,203	1,346	2,113	2,397	2,358	2,560	3,976	4,549
Nondepository institutions	196	134	350	428	620	741	778	897	1,007
Security and commodity brokers	63	82	125	194	225	276	319	426	499
Insurance carriers	399	394	565	555	618	653	624	629	623
Insurance agents, brokers, and services	242	286	324	337	333	339	340	340	340
Real estate	3,131	3,036	4,145	4,339	4,524	4,769	4,956	5,042	5,070
Holding and other investment offices	203	28	42	(16)	(1)	40	12	41	93
Depository and nondepository institutions	1,079	1,325	1,699	2,541	3,008	3,069	3,311	4,905	5,596
Services	5,982	7,334	9,350	9,838	10,449	10,978	11,451	11,819	11,952
Hotels and other lodging places	279	286	362	396	416	432	446	467	470
Personal services	235	251	286	290	305	331	337	337	341
Business services	902	1,305	2,216	2,406	2,727	2,882	3,281	3,413	3,363
Auto repair, services, and parking	377	387	509	543	572	648	729	719	724
Miscellaneous repair services	162	179	169	169	159	170	158	157	146
Motion pictures	126	84	169	174	178	163	167	149	165
Amusement and recreation services	196	228	314	348	379	431	407	436	480
Health services	1,827	2,185	2,438	2,583	2,675	2,732	2,712	2,815	2,852
Legal services	358	373	414	369	404	437	435	496	500
Educational services	358	418	456	449	456	458	490	517	540
Social services	88	125	200	220	237	250	260	285	305
Other services	432	787	1,013	1,088	1,168	1,277	1,322	1,342	1,393
Membership organizations	636	716	764	765	736	728	677	656	650
Private households	28	34	39	38	38	43	38	39	33
Business serv. and other serv.	1,343	2,086	3,229	3,494	3,895	4,159	4,604	4,756	4,756
Government	6,425	7,054	7,487	7,634	7,888	8,042	8,255	8,608	8,868
Federal, civilian	2,424	2,391	2,098	2,009	2,010	2,039	2,103	2,330	2,382
Federal military	492	534	505	502	493	495	503	523	539
State and local	3,546	4,147	4,884	5,123	5,385	5,507	5,649	5,756	5,947

Note: Real GSP data by industry for Utah is not available from the Bureau of Economic Analysis before 1985.

Source: U.S. Bureau of Economic Analysis

Utah Taxable Sales

Overview

Utah taxable sales are estimated to be up 0.8%[1] during 2003 (2% less than predicted previously). For the second year in a row, business spending failed to turn around. However, nationally, business spending has improved in the second and third quarters of 2003. Detracting from the 2003 growth rate was an Iraq war-economic shock that resulted in a 4% drop in taxable sales during the first quarter. However, since the first quarter, taxable sales have improved close to a 3% year-over growth rate. Taxable sales are expected to conservatively increase 3.2% in 2004. Economic models call for a 6% growth rate if all the optimistic economic assumptions hold true. However, other influencing economic forces that must be taken into consideration include:

- Job growth that has only improved slightly, although purchasing manager surveys indicate more improvement will occur.
- China imports may still be impacting Utah manufacturers more than is being felt in the rest of the nation. But Utah manufacturing sector taxable purchases should be up nearly 5% in 2003.
- The impact of cheap, high quality goods from China and other Southeast Asian countries has lowered goods inflation, thereby effectively cutting into nominal dollar taxable sales growth.
- Negative impacts from 9/11, terrorism and the Iraq situation continue to shadow consumer and business confidence, but this should abate as we approach the middle of 2004.
- Mounting sales to consumers over the Internet will cut the sales tax base by 2% in FY2005.

Taxable sales can be dissected into three major components:

1. Retail trade at $18.7 billion, represents about 57% of taxable sales. Retail trade is expected to grow 2.1% in 2003, the slowest rate since 1987. This growth is about half the growth rate that was previously expected, and well below the most recent ten-year average of 6.4%. A 3.5% growth is expected in 2004.

2. Taxable Business Investment and Utility Sales at $8.1 billion, represents less than 25% of taxable sales, and should grow less than 1% in 2003. An improvement between 5% and 9% is expected in 2004.

3. Taxable Services at $4.5 billion, will decline 3% in 2003 and represent less than 14% of taxable sales. The 3% decline is the third annual drop in a row and is in contrast to the 7.6% average gains since 1993. In 2004, taxable services is expected to grow within a range of 3% to 7% if Utah consumers, tourists, and business spending percolate together.

2003 Summary

Retail Trade. Retail trade sales rose in double-digits four times between 1992 and 1996. An end to the economic boom came in 1997 when retail trade sales slowed down to a 3.3% growth rate. Retail trade sales growth improved to 5.3% in 1998 and 1999, and fell back to 4.8% in 2000. In 2001, retail trade sales growth slowed down to a 2.5% growth rate, despite nonfarm wage growth of nearly 4%. The slowdown in job growth, the U.S. recession, and the 9-11 attack adversely affected Utah consumer confidence, which fell from 107.6 in 2000 to 95 in 2001. In 2002, zero-rate car loans and historically low mortgage rates temporarily stimulated retail sales to a 3.7% growth rate. During the first nine months of 2003, retail trade increased only 1.6% over 2002. Anticipation of the Iraq war stymied retail trade in the first quarter of 2003 when consumers and tourists bought 1.4% less than they did during the quarter of the 2002 Olympic Winter Games. However, quarterly increases in 2003 show modest signs of improvement, with an expected annual estimate of 2.1%.

Retail Nondurable Goods. Nondurable goods sold by retailers are classified into the following sectors: general merchandise, food, apparel, eating and drinking, and miscellaneous shopping goods stores. At $11.9 billion in 2003, nondurable retail sales represent 36% of all taxable sales. In 2003, sales in this sector should grow only 1.4%. Nondurable goods sales fell 3% in the first quarter, partially due to a comparison with the 2002 Olympic Winter Games quarter, and also due to the shock of the Iraq war on consumer confidence. General merchandise store sales, whose big discount stores are taking market share not only from traditional department stores, but also from grocery and miscellaneous shopping goods stores, will see gains of almost 6% in 2003. Food store sales, which typically grow less than average due to high competition and smaller price gains, but are now meeting stiff competition from big-box discount department stores, will experience another sales decline, this time by 5% in 2003. Apparel store sales will be up about 1%, much lower than its ten-year average of 5.1%. Miscellaneous shopping goods store sales, which grew 6% in 2002, will see an improvement of only 3% in 2003. Intense competition from big discount department stores, as well as Internet sellers has continued to cut into miscellaneous shopping goods store sales. Barring another Middle-East war or major terrorist attack, nondurable retail sales will be up 2.2% in 2004, almost 4 percentage points lower than its 10 year average of 5.9%, and slightly worse than the 3.4% gain in wages and salaries. Clearly, nondurable retail sales could run up to 4% higher in 2004 if all the positive economic news comes to pass. Nationally, Global Insight is predicting a near 4% nominal increase in nondurable goods sales for 2004, lower than the 5.6% gain in 2003.

Retail Durable Goods. We classify retail durable goods vis-à-vis the general definition of items that last three or more years into three broad sectors: building and garden stores, furniture stores, and motor vehicle dealers. These sectors are usually impacted by changes in the housing starts, movements in interest rates, and job growth. Despite declining employment in Utah during 2003, zero-rate auto loans and historically low mortgage rates boosted hard good sales. Residential construction values, which will rise 20% in 2003, will also bolster hard good sales. Building and garden store sales will up 8% in 2003. While lumber store sales will rise nearly 8%, hardware store sales (including some big-box types) will be up 9%. Paint, glass and wallpaper store sales will approach 10% growth in 2003. All of these respectable growth rates may be eclipsed in 2004, once the new permits turn into homes.

Then, after homes are built, they must be furnished. Furniture and home furnishing store sales will see only 2% gains in 2003. Nominal growth for furniture stores (also including electronics and appliances) has been diminished in the last few years by falling prices, partially due to cheaper imports. Since furniture store prices will fall 4% again in 2003, this 2% nominal increase in Utah furniture store sales equates to a 6% real

[1] Taxable sales consist of final sales of most tangible personal property in the state. Taxable sales of selected services such as hotel and lodging, automobile leases, amusements and repairs to tangible personal property are also taxable in Utah.

increase in what the consumer takes home. Due to the 20% gains in 2003 residential permit values, furniture store sales should experience a nice boost in 2004. Specifically, furniture and home furnishing store sales will grow nearly 6% in 2003, very close to household appliance store gains of 7%. Radio, TV, and electronic store sales will experience a sales boost of nearly 16% in 2003. But this chain may be also luring sales away from computer and software stores and record and tape stores, whose sales will fall about 15% in 2003. We suspect that sales at record and tape stores may be soft due to aggressive Internet companies enabling consumers to freely download new and old DVD and CD releases. If residential construction values and wages and salaries make gains over 2003, stronger sales in durable goods can be expected in 2004.

In contrast to last year's near 9% growth through the first nine months, motor vehicle dealer sales growth was up 1.9% from January through September 2003. Zero job growth outweighed zero to near-zero% financing incentives as new car dealer sales will only grow 1% more in 2003 than in 2002. Used (only) car dealer sales may approach 2% growth. Boat dealer sales will plunge 22%, perhaps due to Utah's dwindling reservoirs. But retiring baby-boomers and low interest rates enabled strong growth for both recreation and utility trailer and motorcycle dealers, up 16% and 17%, respectively in 2003. As employment prospects improve in 2004, sales for new and used car dealers are expected to improve. Unit sales are expected to rebound back to 92,000 levels and consumers will continue to demand extra accessories or heavier, more expensive SUVs.

Business Investment and Utility Sales. This category includes taxable business-to-business (B2B) purchases of supplies and equipment and business-to-consumer (B2C) sales of utilities and final sales at wholesale trade stores. In 2003, these sectors will comprise slightly less than 25% of all taxable sales (down from a peak of 27% in 2001). Almost 15% are found in goods-producing sectors of agriculture, mining and manufacturing, and their wholesale trade counterparts, while 10% of taxable sales are in the service producing sectors: transportation, communication, and public utilities. In six out of eight years between 1991 and 1998, taxable sales in this major sector rose at least 10%. But, following the near 10% gain in 1998, taxable sales rose only 1.4% in 1999. Back-to-back 9% gains nationally, in order to meet Y2K expectations for business fixed investment in 1999 and 2000, propelled similar purchases in Utah to a near 7% gain in 2000.

The 3% decline in U.S. fixed investment in 2002 led to steeper declines in Utah, where capacity utilization might have been higher than average, and where high-tech investment dropped more precipitously due to the Olympic build-up. In fact, Utah business investment purchases fell nearly 7% in 2002. Instead of rising nearly 4% as the nation did in 2003, Utah business purchases and utility sales will be up only 0.5% in 2003. Through the first nine months, these purchases and sales continued to be down 1.8%. Only the very small agriculture, forestry and fishing sector, and the larger manufacturing sector reported purchase gains during the first three quarters of 2003. Manufacturing purchases will be up almost 5% in 2003, a good sign that the goods sector is stabilizing. Purchases in other sectors during the first nine months of 2003 offset these gains: mining (-24%), construction (-4%), and wholesale trade (-2%). We are expecting improvement in almost all these sectors by the end of 2003 and into 2004. Global Insight is predicting an 11% gain in U.S. equipment and software sales during 2004 in nominal dollars. They are expecting double-digit gains for computers (19%), software (11%), light vehicles (24%), aircraft (30%), and other transportation equipment (29%). This bodes well for Utah spending on taxable equipment.

In contrast, we expect transportation, communications, and public utility sales and purchases to be flat in 2003 following a 3% drop in 2002. Through the first nine months, sales in this sector were still down 3%. However, rate hikes will increase public utility sales in the fourth quarter of 2003 and into 2004. Natural gas rate increases were more than 25%, while electricity rates rose about 9%. Sales in this sector are expected to increase 9% in 2004. However, this gain will diminish disposable income for consumers and add to the costs for Utah's goods producing businesses. While telephone communication sales fell 12% during the first three quarters, mobile telephone sales growth experienced a 14% gain. Because prices were falling in this bidding war, overall communication sales were slightly down 0.4% in the first nine months of 2003.

Overall, the mix of business investment (up 5%) and public utility sales (up 6%) will rise 5.2% in 2004, but more improvement could occur if U.S. business investment grows as Global Insight expects in 2004. Taxable business investment purchases and utility sales are expected to run between $8.5 billion and $8.8 billion in 2004.

Taxable Services. This sector is an eclectic mix of Utah consumer spending on amusement and personal and financial services, tourist spending for Utah's hotels, resorts and rental cars and business spending on computers and equipment. Driving this sector in our models are Utah wages, Salt Lake City International Airport arrivals and deplanes and U.S. business spending on software and equipment.

Taxable services, which experienced double-digit gains in the economic expansion between 1990 and 1996, had growth less than 4% in 1997. In 1998, taxable service growth reversed by growing almost 11%. But in 1999, slower tourist-related sales brought down taxable-services growth to less than 6%. Improving tourism and surging Y2K demand in the business services sector again sped up the growth in overall services to 9% in 2000. It peaked at $4.75 billion in 2000. Slower growth was anticipated in 2001, but the 1% decline was not foreseen. In 2002, even the 2002 Olympic Winter Games boost could not overcome declines in auto rentals, and repairs and business services, which led to a 2% overall drop in taxable services.

During the first three quarters of 2003, taxable services decreased more than 6% as declines occurred almost across the board in finance, hotels, business, auto rentals and repair, amusements, and education. Fourth quarter is expected to do better, bringing the 2003 loss to only -3%. In 2004, improving wages, tourism, and demand for computers (see above forecast for U.S. computer spending) will increase services to $4.6 billion for a 3% gain. Economic modeling suggests that a near 7% gain is possible if all of these factors combine in the rebound. Bear in mind that the $4.6 billion level is still 2% below the peak $4.75 billion record for services that was recorded in 2000.

Sales Forecast and Other Public Policy Issues. Several issues affect this very important tax base for Utah state and local governments. In some cases the impacts are not independent of each other. The manner in which these issues are resolved may affect how taxable sales are reported or if they are reported at all.

- **9/11 Impact on Taxable Sales.** Modeling suggests that 9-11 and its secondary economic affects on tourism, transportation and investment is depressing taxable sales 2.3% per year, by $810 million in taxable sales and by $38 million in state sales taxes, and more than $14 million in local sales taxes. In the optimistic sales tax scenario, this negative impact abates somewhat going into FY2005. But so far, it is still seems to be affecting taxable sales late in 2003.

- **Internet Sales.** Given the fact that surveys put Utahns in the top ten among Internet users and PC purchasers, the inability to tax remote sales is a big issue with respect to the sales tax base. Dr. William Fox et al from the University of Tennessee estimated that Internet sales would cost Utah about $55 million in state and local sales taxes by 2003, and about $192 million in 2006.[2] Based on recent quarterly surveys at the U.S. Department of Commerce, the loss is calculated to amount to 2% of state and local sales taxes, or about $33 million in fiscal year 2005.[3] Local sales tax losses of $12 million are expected for FY2005.

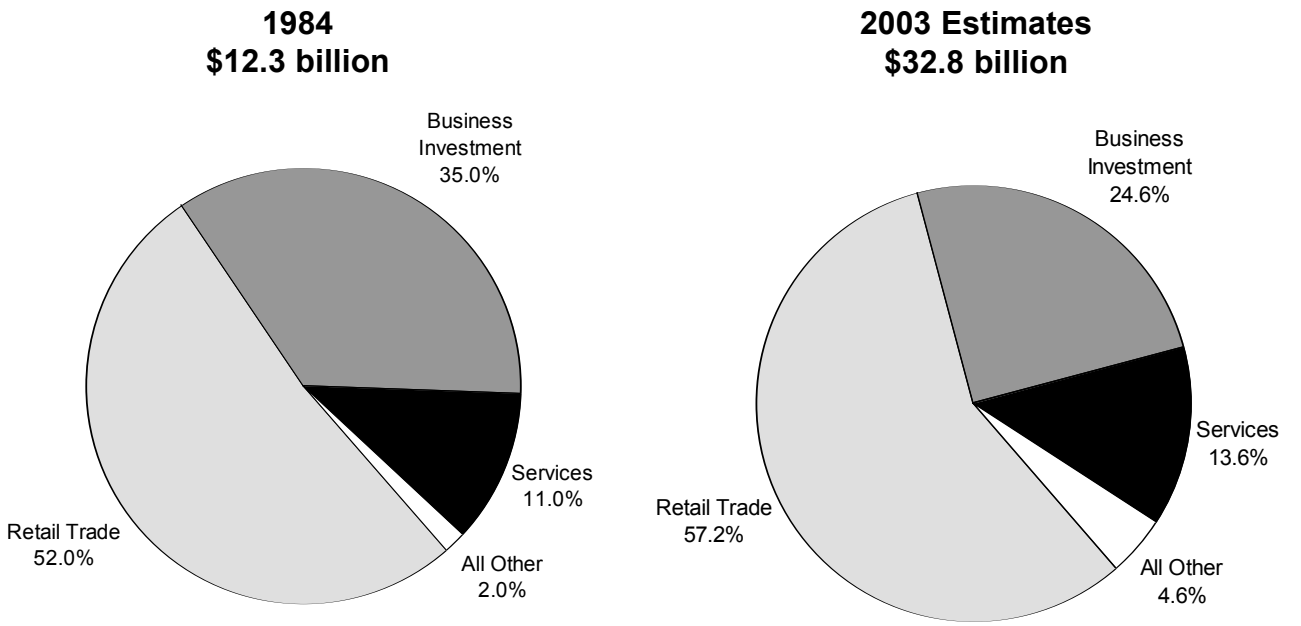
- **Streamlined Sales Tax (SST) Developments.** The SST Project continues to progress on the national and the state level. Over 40 states are now participating in the project and about 20 of these states have enacted legislation to bring all or most of their statutes into compliance with the multi-state agreement. Major mail order and e-commerce retailers are continuing to volunteer to collect Utah's taxes under the project and we have received several hundred thousand dollars over the last year from such volunteers. Utah's SST legislation will become effective July 1, 2004. The national system is also expected to become fully operational during 2004. Legislation has been introduced in Congress (H.R. 3134) that would require remote sellers to collect our taxes once that occurs.

- **North American Industry Classification System (NAICS).** The President's Office of Management and Budget, as well as all federal government agencies have adopted a new, updated classification system, which parallels systems in Mexico and Canada, two of our largest trading partners. If new funding were available, the reporting of taxable sales under the NAICS system would be possible by late 2004. With over 150 new industry classifications, some of which are new technology-driven sectors, the distribution of taxable sales under NAICS would give our reports more definition. The new "Information" sector will give the Legislature the option to spread exemptions to B2B purchases in the "new" economy. On the other hand, comparisons of taxable sales by industry to the 1980s and 1990s will be difficult, if not impossible. Systems analysts at the Tax Commission have already begun to prepare files and computer screen for the 6-digit code, what needs to happen is the drive, resources and time allocated to filling in the blanks.

2 Donald Bruce and William Fox, "State and Local Sales Tax Revenue Losses from E-Commerce: Updated Estimates," University of Tennessee, September 2001.

3 Commerce reported Internet B2C retail sales amounted to between 1.3 and 1.7% of total retail sales during the first three quarters of 2003. E-commerce sales were 0.8% of total sales in the second quarter of 2000. See www.census.gov/mrts/www/current.html.

Figure 35
Shares of Utah's Sales Tax Base -- Four Major Sectors



Source: Utah State Tax Commission

Table 36
Utah Taxable Retail Sales and Annual Percent Change by Sector

Dollar Amounts in Millions

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003(e)	Avg. Annual % Change 1993-2002
Retail Trade	8,407	8,918	9,860	10,994	12,097	13,080	14,404	14,874	15,657	16,494	17,278	17,748	18,356	18,738	
		6.1%	10.6%	11.5%	10.0%	8.1%	10.1%	3.3%	5.3%	5.3%	4.8%	2.7%	3.4%	2.1%	6.4%
Nondurables	5,757	6,144	6,657	7,140	7,656	8,295	9,047	9,482	10,006	10,492	11,091	11,406	11,769	11,939	
		6.7%	8.3%	7.3%	7.2%	8.3%	9.1%	4.8%	5.5%	4.9%	5.7%	2.8%	3.2%	1.4%	5.9%
General Merchandise	1,362	1,484	1,619	1,717	1,816	2,033	2,256	2,328	2,463	2,619	2,797	3,100	3,598	3,799	
		9.0%	9.1%	6.1%	5.8%	12.0%	11.0%	3.2%	5.8%	6.3%	6.8%	10.8%	16.1%	5.6%	8.3%
Apparel	415	452	506	581	591	614	665	693	757	760	789	802	832	840	
		8.9%	11.9%	14.8%	1.7%	3.9%	8.3%	4.2%	9.3%	0.4%	3.8%	1.6%	3.7%	1.0%	5.1%
Food Stores	2,161	2,226	2,374	2,496	2,677	2,784	3,050	3,258	3,381	3,493	3,641	3,513	3,203	3,052	
		3.0%	6.6%	5.1%	7.3%	4.0%	9.5%	6.8%	3.8%	3.3%	4.2%	-3.5%	-8.8%	-4.7%	3.0%
Eating and Drinking	861	935	1,025	1,140	1,234	1,349	1,473	1,554	1,677	1,815	1,906	1,946	2,013	2,053	
		8.6%	9.6%	11.2%	8.2%	9.3%	9.2%	5.5%	7.9%	8.2%	5.0%	2.1%	3.4%	2.0%	7.0%
Miscellaneous Shopping Goods	958	1,047	1,133	1,206	1,338	1,515	1,603	1,649	1,728	1,805	1,958	2,006	2,123	2,193	
		9.3%	8.2%	6.4%	10.9%	13.2%	5.8%	2.9%	4.8%	4.5%	8.5%	2.5%	5.8%	3.3%	6.5%
Durables	2,650	2,774	3,203	3,854	4,441	4,785	5,357	5,392	5,651	6,002	6,187	6,342	6,587	6,800	
		4.7%	15.5%	20.3%	15.2%	7.7%	12.0%	0.7%	4.8%	6.2%	3.1%	2.5%	3.9%	3.2%	7.5%
Motor Vehicles	1,577	1,591	1,783	2,140	2,331	2,431	2,710	2,775	2,965	3,175	3,390	3,570	3,734	3,797	
		0.9%	12.1%	20.0%	8.9%	4.3%	11.5%	2.4%	6.8%	7.1%	6.8%	5.3%	4.6%	1.7%	7.7%
Building & Garden	575	630	764	941	1,160	1,241	1,337	1,310	1,351	1,476	1,426	1,460	1,487	1,607	
		9.6%	21.3%	23.2%	23.3%	7.0%	7.7%	-2.0%	3.1%	9.3%	-3.4%	2.4%	1.8%	8.1%	6.9%
Furniture & Home Furnishings	498	553	656	773	950	1,112	1,310	1,307	1,335	1,351	1,371	1,312	1,366	1,395	
		11.0%	18.6%	17.8%	22.9%	17.1%	17.8%	-0.2%	2.1%	1.2%	1.5%	-4.3%	4.1%	2.1%	7.6%
Business Investment	3,874	4,355	4,342	4,956	5,609	6,231	6,878	7,044	7,730	7,839	8,372	8,588	8,039	8,079	
		12.4%	-0.3%	14.1%	13.2%	11.1%	10.4%	2.4%	9.7%	1.4%	6.8%	2.6%	-6.4%	0.5%	6.4%
Agriculture, Forestry, & Fishing	10	10	13	23	19	13	17	26	22	27	32	36	38	41	
		0.0%	30.4%	72.9%	-17.4%	-31.6%	33.8%	48.3%	-13.2%	20.5%	18.5%	12.5%	5.6%	7.5%	11.1%
Mining	150	186	153	142	149	176	174	245	259	180	202	210	157	125	
		24.0%	-17.7%	-7.2%	4.9%	18.1%	-0.9%	40.7%	5.6%	-30.5%	12.2%	4.0%	-25.2%	-20.3%	0.3%
Construction	203	207	228	247	290	343	371	389	400	422	408	368	315	309	
		2.0%	10.1%	8.3%	17.4%	18.3%	8.1%	4.8%	3.0%	5.5%	-3.3%	-9.8%	-14.4%	-1.9%	3.3%
Manufacturing	889	936	1,000	1,083	1,155	1,368	1,513	1,464	1,601	1,540	1,543	1,583	1,369	1,433	
		5.3%	6.8%	8.3%	6.6%	18.4%	10.6%	-3.2%	9.3%	-3.8%	0.2%	2.6%	-13.5%	4.7%	3.2%
Transportation, Comm., & Public Util.	1,351	1,644	1,407	1,552	1,657	1,776	1,935	2,062	2,291	2,392	2,742	3,164	3,060	3,061	
		21.7%	-14.4%	10.3%	6.8%	7.2%	8.9%	6.6%	11.1%	4.4%	14.6%	15.4%	-3.3%	0.0%	8.1%
Wholesale Trade	1,271	1,372	1,541	1,909	2,339	2,555	2,869	2,858	3,157	3,278	3,445	3,251	3,100	3,110	
		7.9%	12.3%	23.9%	22.5%	9.2%	12.3%	-0.4%	10.5%	3.8%	5.1%	-5.6%	-4.6%	0.3%	7.2%
Services	1,829	2,040	2,223	2,499	2,802	3,206	3,594	3,724	4,122	4,350	4,745	4,709	4,615	4,461	
		11.5%	9.0%	12.4%	12.1%	14.4%	12.1%	3.6%	10.7%	5.5%	9.1%	-0.8%	-2.0%	-3.3%	7.6%
Hotels & Lodging	307	351	373	400	423	473	528	557	551	556	583	597	674	603	
		14.3%	6.3%	7.2%	5.8%	11.8%	11.6%	5.5%	-1.1%	0.9%	4.9%	2.4%	12.9%	-10.5%	6.1%
Amusement & Recreation	194	228	256	303	378	451	495	544	572	650	714	723	732	731	
		17.5%	12.3%	18.4%	24.8%	19.4%	9.6%	9.9%	5.2%	13.6%	9.8%	1.3%	1.2%	-0.1%	11.1%
Personal	91	99	110	130	146	167	178	177	185	190	200	208	212	218	
		8.8%	11.1%	18.2%	12.3%	14.4%	6.5%	-0.2%	4.3%	2.7%	5.3%	4.0%	1.9%	2.8%	6.8%
Health	76	68	77	85	84	91	90	92	88	86	93	95	104	116	
		-10.5%	13.2%	10.4%	-1.2%	8.0%	-1.2%	2.5%	-4.1%	-2.3%	8.1%	2.2%	9.5%	11.8%	3.1%
Education, Legal & Social	111	126	137	144	160	175	194	167	195	207	224	225	220	207	
		13.5%	8.7%	5.1%	11.1%	9.6%	10.6%	-13.8%	16.7%	6.2%	8.2%	0.4%	-2.2%	-5.7%	4.9%
Auto Rental & Repairs	525	572	601	677	763	901	1,012	1,073	1,160	1,169	1,239	1,268	1,211	1,196	
		9.0%	5.1%	12.6%	12.7%	18.1%	12.2%	6.1%	8.1%	0.8%	6.0%	2.3%	-4.5%	-1.2%	7.3%
Business	446	502	564	625	645	711	780	775	948	1,042	1,223	1,158	1,005	989	
		12.6%	12.4%	10.8%	3.2%	10.2%	9.7%	-0.6%	22.3%	9.9%	17.4%	-5.3%	-13.2%	-1.6%	5.9%
Finance Insurance & Real Estate	79	94	105	135	203	236	318	339	423	450	469	427	457	399	
		19.0%	11.7%	28.6%	50.4%	16.2%	34.9%	6.5%	24.9%	6.4%	4.2%	-9.0%	7.0%	-12.7%	15.8%
All Other	664	685	888	892	1,019	1,092	968	1,188	1,137	1,316	1,250	1,381	1,502	1,500	
		3.2%	29.6%	0.5%	14.2%	7.2%	-11.4%	22.7%	-4.2%	15.7%	-5.0%	10.5%	8.8%	-0.1%	5.4%
Grand Total Taxable Sales	14,774	15,998	17,313	19,341	21,527	23,609	25,844	26,829	28,646	29,999	31,645	32,426	32,512	32,777	
		8.3%	8.2%	11.7%	11.3%	9.7%	9.5%	3.8%	6.8%	4.7%	5.5%	2.5%	0.3%	0.8%	6.5%

e = estimate

Source: Utah State Tax Commission

Table 37
Utah Taxable Sales by Component

Calendar Year	Retail Sales	Business Investment Purchases	Taxable Services	All Other	Total Taxable Sales
1981	$4,901	$3,821	$919	$217	$9,857
1982	5,200	3,513	1,062	244	$10,020
1983	5,638	3,648	1,138	262	$10,686
1984	6,401	4,254	1,385	284	$12,324
1985	6,708	4,122	1,440	304	$12,574
1986	7,010	3,689	1,414	265	$12,378
1987	6,951	3,398	1,587	252	$12,188
1988	7,346	3,684	1,718	269	$13,017
1989	8,048	3,675	1,849	320	$13,892
1990	8,407	3,874	1,829	664	$14,774
1991	8,918	4,355	2,040	685	$15,998
1992	9,860	4,342	2,223	888	$17,313
1993	10,994	4,956	2,499	892	$19,341
1994	12,097	5,609	2,802	1,019	$21,527
1995	13,080	6,231	3,205	1,093	$23,609
1996	14,404	6,878	3,594	968	$25,844
1997	14,873	7,044	3,724	1,188	$26,829
1998	15,657	7,729	4,122	1,137	$28,646
1999	16,493	7,839	4,351	1,316	$29,999
2000	17,278	8,372	4,746	1,250	$31,645
2001(r)	17,748	8,588	4,709	1,381	$32,426
2002	18,356	8,039	4,615	1,502	$32,512
2003(e)	18,738	8,079	4,461	1,500	$32,778
2004(f)	19,400	8,500	4,600	1,334	$33,834

Calendar Year	Retail Sales	Business Investment Purchases	Taxable Services	All Other	Total Taxable Sales
1982	6.1%	-8.0%	15.6%	12.6%	1.7%
1983	8.4%	3.8%	7.2%	7.4%	6.6%
1984	13.5%	16.6%	21.7%	8.5%	15.3%
1985	4.8%	-3.1%	4.0%	7.0%	2.0%
1986	4.5%	-10.5%	-1.8%	-12.7%	-1.6%
1987	-0.8%	-7.9%	12.3%	-5.0%	-1.5%
1988	5.7%	8.4%	8.2%	6.7%	6.8%
1989	9.6%	-0.2%	7.6%	18.8%	6.7%
1990	4.5%	5.4%	-1.1%	107.8%	6.3%
1991	6.1%	12.4%	11.6%	3.2%	8.3%
1992	10.6%	-0.3%	9.0%	29.6%	8.2%
1993	11.5%	14.1%	12.4%	0.5%	11.7%
1994	10.0%	13.2%	12.1%	14.2%	11.3%
1995	8.1%	11.1%	14.4%	7.2%	9.7%
1996	10.1%	10.4%	12.1%	-11.4%	9.5%
1997	3.3%	2.4%	3.6%	22.7%	3.8%
1998	5.3%	9.7%	10.7%	-4.2%	6.8%
1999	5.3%	1.4%	5.5%	15.7%	4.7%
2000	4.8%	6.8%	9.1%	-5.0%	5.5%
2001(r)	2.7%	2.6%	-0.8%	10.5%	2.5%
2002	3.4%	-6.4%	-2.0%	8.8%	0.3%
2003(e)	2.1%	0.5%	-3.3%	-0.1%	0.8%
2004(f)	3.5%	5.2%	3.1%	-11.1%	3.2%

r = revised
e = estimate
f = forecast

Source: Utah State Tax Commision

Table 38
Utah Taxable Retail Sales by County and Region

COUNTY	1995	1996	1997	1998	1999	2000	2001	2002	2003 e	Avg. Growth 1995-2002
Box Elder	$255,311,338	$313,399,510	$341,801,574	$378,656,784	$392,554,576	$388,463,051	$385,714,523	$397,597,890	$410,278,000	6.5%
Cache	643,424,439	700,827,166	738,962,198	815,747,488	877,516,245	881,748,639	936,747,843	991,873,325	1,037,754,000	6.4%
Rich	10,252,664	10,848,221	12,425,163	14,599,275	15,593,403	16,731,346	16,201,275	17,302,794	18,831,000	7.8%
Bear River Region	908,988,441	1,025,074,897	1,093,188,935	1,209,003,547	1,285,664,224	1,286,943,036	1,338,663,641	1,406,774,009	1,466,863,000	6.4%
Davis	1,792,686,798	1,948,114,497	2,082,405,096	2,333,000,552	2,501,488,171	2,561,945,556	2,689,665,418	2,759,164,731	2,794,115,000	6.4%
Morgan	32,975,103	36,673,879	34,597,815	43,190,274	52,752,568	55,091,635	55,337,047	48,655,061	48,332,000	5.7%
Salt Lake	11,456,330,532	12,495,049,840	13,279,907,345	14,480,792,082	15,032,355,344	15,941,513,323	15,849,186,277	15,706,919,505	15,459,141,000	4.6%
Summitt	481,055,880	532,065,605	585,960,819	631,299,089	685,939,692	742,862,484	828,954,759	862,281,570	859,948,000	8.7%
Tooele	204,822,816	229,458,354	247,605,386	282,754,708	306,930,181	330,279,699	363,790,726	408,234,189	331,964,000	10.4%
Utah	2,729,006,721	3,018,664,563	3,263,562,889	3,670,050,662	3,938,892,458	4,170,665,617	4,327,743,545	4,394,333,416	4,474,387,000	7.0%
Wasatch	91,141,976	104,349,093	118,482,941	136,583,244	155,799,341	171,726,889	173,995,773	186,566,663	189,875,000	10.8%
Weber	1,871,898,257	2,039,495,130	2,151,273,281	2,264,121,035	2,375,445,131	2,456,562,991	2,507,881,470	2,552,414,748	2,596,941,000	4.5%
Wasatch Front Region	18,659,918,083	20,403,870,961	21,763,795,572	23,841,791,646	25,049,602,886	26,430,648,194	26,796,555,015	26,918,569,883	26,754,703,000	5.4%
Juab	44,498,957	52,093,322	58,330,085	61,049,366	67,800,309	73,826,705	69,536,762	104,467,036	96,945,000	13.0%
Millard	84,805,492	86,426,974	102,956,430	102,324,784	108,565,176	107,366,842	120,365,006	128,805,095	132,464,000	6.2%
Piute	5,737,337	5,549,494	4,647,900	5,197,828	5,556,641	5,742,323	5,662,930	6,183,485	5,936,000	1.1%
Sanpete	93,422,662	101,273,513	109,374,363	117,860,224	125,822,688	143,234,506	158,161,385	158,154,750	160,559,000	7.8%
Sevier	167,792,163	171,174,291	179,499,588	247,516,691	212,472,805	219,208,375	219,773,375	229,937,800	226,422,000	4.6%
Wayne	17,293,540	17,770,582	18,566,025	22,689,627	23,000,106	23,460,239	23,594,673	23,570,949	24,961,000	4.5%
Central Region	413,550,151	434,288,176	473,374,391	556,638,520	543,217,725	572,838,990	597,094,131	651,119,115	647,287,000	6.7%
Beaver	36,412,579	41,936,668	45,761,964	54,028,444	56,796,599	59,533,738	57,175,694	78,643,822	77,884,000	11.6%
Garfield	53,989,631	59,463,916	64,208,586	67,964,766	71,530,129	73,145,377	66,456,789	67,872,943	66,961,000	3.3%
Iron	296,098,117	328,599,441	334,517,242	358,583,543	403,990,858	417,168,360	420,915,573	457,128,755	486,020,000	6.4%
Kane	79,603,840	85,348,929	91,571,511	92,767,501	99,972,386	107,426,955	101,547,886	99,787,339	97,671,000	3.3%
Washington	876,072,647	954,639,002	994,050,920	1,066,865,802	1,159,452,168	1,237,822,795	1,375,237,567	1,503,264,367	1,598,112,000	8.0%
Southwest Region	1,342,176,814	1,469,987,956	1,530,110,223	1,640,210,056	1,791,742,140	1,895,097,225	2,021,333,509	2,206,697,226	2,326,648,000	7.4%
Daggett	8,026,924	9,433,030	8,931,045	10,152,206	11,083,920	13,701,974	14,634,974	14,748,590	15,508,000	9.1%
Duchesne	92,152,625	103,539,767	138,833,857	148,993,949	113,995,306	152,667,814	163,767,205	145,071,558	137,933,000	6.7%
Uintah	238,265,849	249,885,277	300,310,299	335,704,139	331,526,601	439,786,724	497,521,181	452,556,426	474,446,000	9.6%
Uintah Basin Region	338,445,398	362,858,074	448,075,201	494,850,294	456,605,827	606,156,512	675,923,360	612,376,574	627,887,000	8.8%
Carbon	246,727,509	270,180,228	302,766,134	350,262,447	344,787,306	346,715,900	361,591,203	351,112,861	337,068,000	5.2%
Emery	59,567,320	63,933,988	85,273,673	108,296,650	86,178,899	78,516,158	102,670,903	106,343,423	101,769,000	8.6%
Grand	123,463,929	125,597,997	136,682,724	143,307,479	167,663,347	162,911,808	165,549,440	174,635,577	164,273,000	5.1%
San Juan	73,747,605	83,951,301	79,420,183	102,358,862	96,128,945	89,321,720	87,304,705	88,823,783	90,616,000	2.7%
Southeast Region	503,506,363	543,663,514	604,142,714	704,225,438	694,758,497	677,465,586	717,116,251	720,915,644	693,726,000	5.3%
SUBTOTAL	22,166,585,250	24,239,743,578	25,912,687,036	28,446,719,501	29,821,591,299	31,469,149,543	32,146,685,907	32,516,452,451	32,517,114,000	5.6%
OUT-OF-STATE USE TAX	1,442,191,794	1,604,193,876	916,015,985	200,035,296	176,949,414	175,863,321	$ 255,447,596	-4,301,122	259,886,000	
GRAND TOTAL	$ 23,608,777,044	$ 25,843,937,454	$ 26,828,703,021	$ 28,646,754,797	$ 29,998,540,713	$ 31,645,012,864	$ 32,402,133,503	$ 32,512,151,329	$ 32,777,000,000	4.7%

Source: Utah State Tax Commission

Tax Collections

Overview
The struggling Utah economy has had a significant impact on recent state budgets. An historic drop in state revenues caused elected officials and state leaders to make tough budget decisions for fiscal years 2002 through 2004. In order to address revenue shortfalls and pressing issues for each of these years, services were curtailed; the state workforce was reduced; various reserves, surpluses, and restricted funds were tapped; and some taxes and fees were raised.

Fiscal Year 2002

Tax collections dropped significantly in FY 2002. Collections fell as a result of the global recession, which was deepened by the World Trade Center disaster on September 11, 2001; the end of the 2002 Olympic Winter Games construction build-up; and the loss of jobs, capital gains, and corporate profits due to the dot-com implosion. Initial revenue estimates for FY 2002 were $3.814 billion, an increase of 5.2% over actual FY 2001 revenue collections. With the unexpected severity of the downturn in the economy, these initial revenue estimates were subsequently lowered by a total of $395 million.

Final payments (non-withholding income tax payments) declined $145 million in FY 2002 (from $178 million in FY 2001 to $33 million in FY 2002). Final payments are all non-withholding income tax collections net of refunds. Final payments come from volatile capital gains, interest income, entrepreneurial profits, partnership income, and other income distributions. Capital gains income tax payments declined to $115 million in FY 2002 from $185 million in the prior fiscal year.

Final action taken to balance the FY 2002 budget included reducing agency budgets by $111.7 million and balancing the remaining shortfall by using most of the Budget Reserve Account, replacing cash appropriations with bonds, and using balances in various accounts that were slated for use in other areas.

Fiscal Year 2003

The FY 2003 budget was initially set in the 2002 General Session. The budget challenges included FY 2003 revenue estimates that were lower than the initial revenue estimates of FY 2002, and significant use of one-time money for ongoing programs in the FY 2002 budget. Revenues remained weak in FY 2003 due to continued softness in sales and income tax collections. These tax collections were weak due to low business investment, employment reductions, high debt burdens, and a lack of pent-up consumer demand. Total income as reported to the Internal Revenue Service actually decreased 2.4% in calendar year 2002 (FY 2003). All sources of taxable income declined that year except for wages, which only grew 1.4%. Capital gains income tax payments declined to $84 million in FY 2003 from $115 million in the prior fiscal year.

Consequently, FY 2003 revenue estimates were lowered by $173 million and required budget modification in the Fifth Special Session held in July 2002. In November 2002, revenue estimates were lowered again by $117.3 million. The governor called the Sixth Special Session in December 2002 to rebalance the budget. The Legislature reduced agency programs by $53.6 million for FY 2003. This reduction consisted of an ongoing cut of $85.6 million that was partially offset by $32 million in one-time funding. This one-time funding minimized the impact of mid-year cuts by keeping programs whole (or with small cuts) for FY 2003; however, the full impact of the cuts was fully effective for FY 2004. The Legislature also shifted a total of $63.7 million to balance the budget, including: 1) $21.1 million from tobacco settlement funds; 2) $35 million in cash for building construction, which was replaced with bonding; 3) $4.5 million from water loan programs and Class B and Class C road funds that are funded with dedicated sales tax; and, 4) $3.1 million from miscellaneous sources.

The state ended FY 2003 with a $0.0 million General Fund surplus, and a $1.8 million Uniform School Fund surplus. Also, $6.7 million was deposited into the General Fund Budget Reserve Account (rainy day fund), bringing the balance up to $26.6 million. And, $0.6 million was deposited into the new (established by the Legislature in 2003) Education Budget Reserve Account. Even though tax collections were $12 million short of estimates, the $1.8 million Uniform School Fund surplus was made possible by the return of unspent money from state departments and a federal relief grant of $38 million that the state received in June of 2003.

Fiscal Year 2004

During the 2003 General Session the challenges for balancing the FY 2004 budget included the need to replace one-time money used to balance the ongoing FY 2003 budget and to address other mandated costs. Initial FY 2004 revenue estimates (during the 2003 General Session) showed a $92.2 million increase (including additional tax revenue from legislation that passed). The 2003 Legislature used several other sources to bolster state funds for FY 2004, including $9.8 million from tobacco settlement funds, $1.6 million from proceeds from the sale of the Iron County Jail, $3.2 million from the Commerce Service Fund, and $4.5 million from miscellaneous sources. Funding was also available due to the FY 2003 cuts of $77.8 million that were deemed ongoing in the Sixth Special Session and $35.6 million carried-over from FY 2003. In addition, the Legislature cut agency budgets another $45.7 million in FY 2004 during the 2003 General Session. A total of approximately $42 million of one-time sources were used to balance the FY 2004 budget.

The FY 2004 budget and revenue estimates will be revised February 2004 during the General Session of the Legislature. Updated tax collection information will also be available at that time. Revenues in FY 2004 will include an additional $38 million federal relief grant that was received in October of 2003. In December, the Governor gives recommendations to the Legislature for the use of ongoing revenues, federal monies, and rainy day and surplus funds.

2003 General Session Tax Policy

Three bills that passed in the 2003 General Session increased unrestricted state funds. House Bill 286, Waste Tax and Fee Amendments, modifies taxes paid by radioactive waste facilities and imposes taxes on hazardous waste facilities and non-hazardous solid waste facilities. The additional taxes implemented by this bill are estimated to generate an additional $2.2 million in unrestricted tax collections for FY 2004. Senate Bill 213, Amendments to Sales and Use Tax, eliminated the sales tax exemption on amounts paid or charged for multi-channel video or audio service provided by a multi-channel video or audio service provider and is estimated to raise $14 million in additional revenue for FY 2004. Senate Bill 153, Alcoholic Beverage Amendments, increased liquor markups from 61% to 64.5% and increased some fees for a fiscal note of $3.8 million in FY 2004. Some of this money is then appropriated out of the General Fund for various enforcement and treatment purposes.

Inflation-Adjusted Revenues

Inflation-adjusted General Fund and School Fund revenues increased $64.0 million in FY 2003, after having dropped $198.4 million in FY 2002. After adjusting for inflation, both of these years were considerably lower than the $124.9 million growth that occurred in FY 2001, and the $336.5 million growth that occurred in FY 2000. Fiscal year 2000 had the largest single-year growth in revenue since 1984 (when inflation-adjusted revenues grew $370.1 million), and FY 2002 had the largest decrease in revenue.

Inflation-Adjusted Surpluses

The $1.8 million Uniform School Fund surplus in FY 2003 was slightly larger than the $736,000 combined General and School Fund year-end surplus in FY 2002. However, this surplus would have been a deficit were it not for $38 million in federal relief that the state received in June 2003. Fiscal year 2002 had a $395 million revenue deficit that was turned into a $736,000 surplus through budget cutbacks, bonding, lapsing monies, rainy day funds, and revenue transfers from restricted funds. For budgeting purposes, year-end surpluses are the beginning revenue balance for the start of the next fiscal year and are considered one-time money.

Windfall, Inflation, and Tax Rate and Base-Adjusted Revenue Growth

When revenues are adjusted not only for inflation, but also for windfalls and tax rate and base changes, FY 2003 revenues increased only $24.6 million. This compares to a drop of $149.3 million in FY 2002 and growth of $179.6 million and $274.3 million in fiscal years 2001 and 2000 respectively. For 2000 and 2001 inflation, windfall, and tax rate and base-adjusted revenue collections came in above the average growth of $144.6 million (the 1980 to 2004 average). State government experienced an abrupt turnaround when revenue collections came in at a negative $149.3 million in FY 2002. Growth in FY 2003 was small (at $24.6 million) by historic standards.

Income Tax Continues Its Preeminence

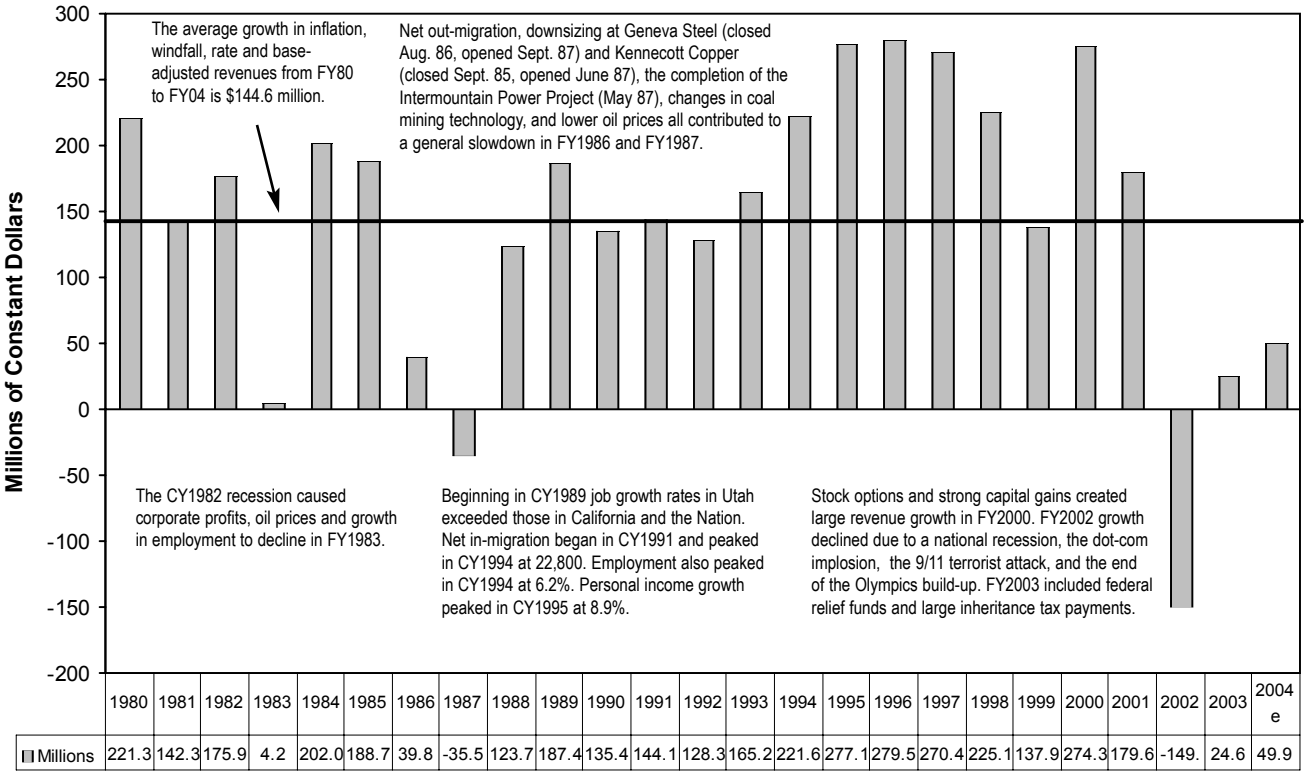
Income taxes were larger than sales taxes in FY 2003 for the sixth year in a row. Prior to fiscal year 1998, the sales tax made up the largest portion of state government's unrestricted revenues. In fiscal year 2003 income tax collections were 40% of total unrestricted revenue collections, whereas sales tax collections were only 36.7% of the total. Income taxes were only 34.0% of the total as recently as 1989 (when sales taxes were 37.1% of the total). This reversal in tax preeminence is due in part to: 1) sales tax rate reductions; 2) stronger historic growth in sales tax exempt services industries than in taxable goods industries; 3) increased sales tax exemptions; 4) increased sales over the internet; 5) income tax bracket creep; 6) capital gains realizations; and 7) the transfer of unrestricted general fund monies to restricted accounts.

Historic Tax Reductions

Tax collections in Utah experienced a net reduction of $193.6 million (on an annualized basis) due to statutory changes that occurred during the past 10 legislative sessions. The cumulative reduction in taxes authorized in these sessions for FY 1995 through FY 2004 is $1.83 billion. The net reduction in tax collections does not, however, account for income tax increases due to inflation or "bracket creep." Around $4 million per year is currently raised from income tax bracket creep. The cumulative bracket creep effect from FY 1995 to FY 2004 is a tax increase of $220 million. Thus, the net reduction in state government taxes over this period including bracket creep is $1.61 billion.

An individual taxpayer may actually be paying more in taxes now than eight years ago. This is because non-state government taxes may have increased, and/or an individual's income, spending, or property values may have increased. More income or spending, or greater property values, can result in higher taxes even at lower tax rates. There are 633 taxing entities other than state government in Utah.

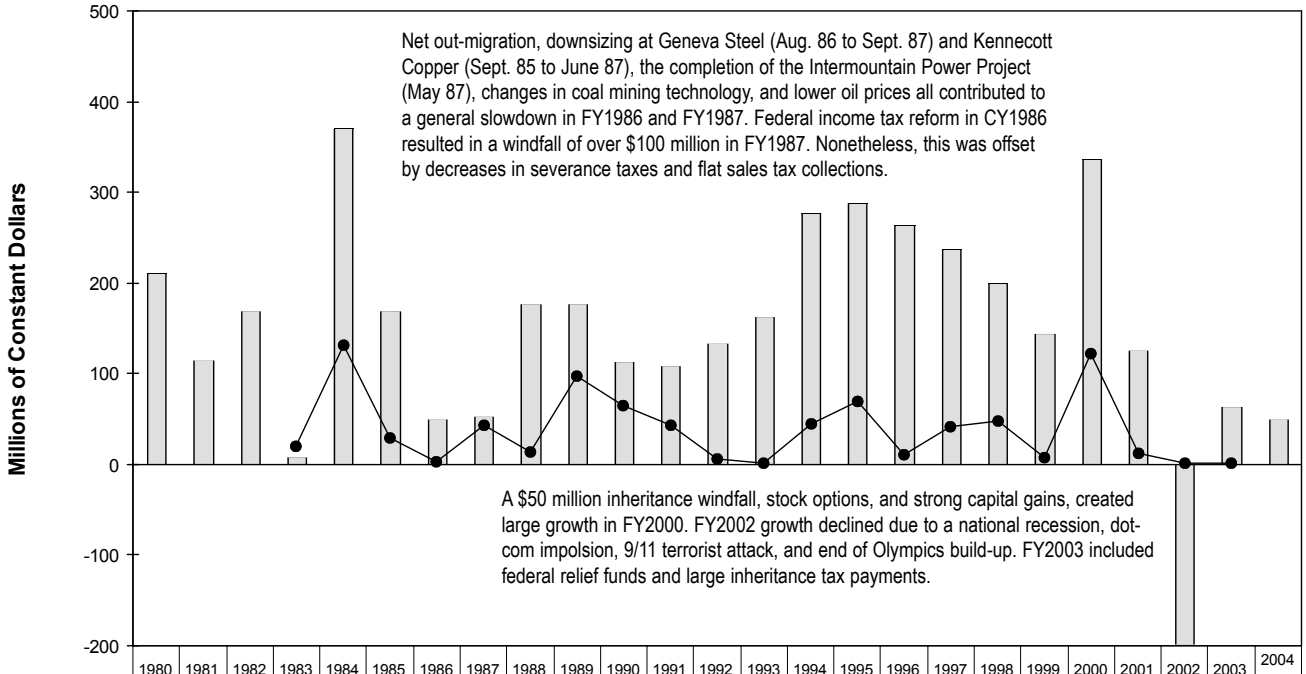
Figure 36
Inflation, Windfall, Rate and Base-Adjusted Revenue Growth in Combined General and School Fund Revenues



	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004 e
Millions	221.3	142.3	175.9	4.2	202.0	188.7	39.8	-35.5	123.7	187.4	135.4	144.1	128.3	165.2	221.6	277.1	279.5	270.4	225.1	137.9	274.3	179.6	-149.	24.6	49.9

Source: Governor's Office of Planning and Budget

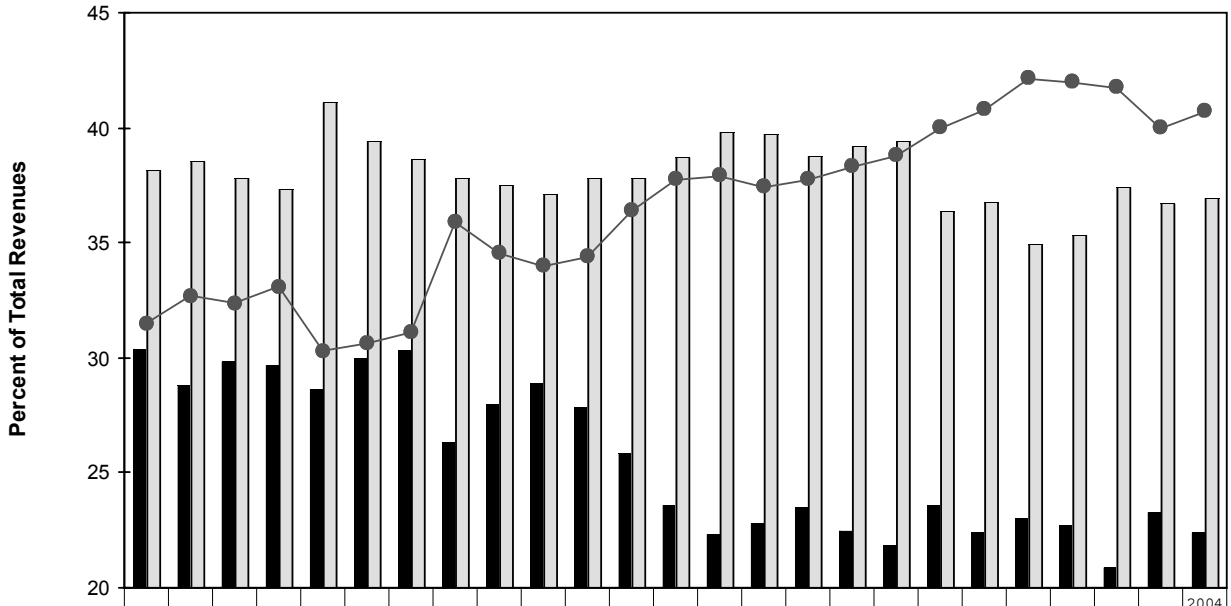
Figure 37
Inflation-Adjusted Revenue Growth and Surpluses for Combined General and School Fund Revenues



	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004 e
Growth	210.6	113.8	168.1	7.7	370.1	169.3	48.9	52.2	176.3	176.3	112.6	108.1	132.3	162.3	276.5	288.4	262.4	236.8	199.1	143.2	336.5	124.9	-198.4	64.0	49.9
Surplus	NA	NA	NA	19.4	131.4	29.5	2.7	43.3	14.0	97.7	64.7	43.7	6.1	2.1	44.6	70.2	10.4	41.1	48.5	7.9	121.6	12.9	0.8	1.8	NA

Source: Governor's Office of Planning and Budget

Figure 38
Sales Tax, Income Tax, and All Other Unrestricted Revenues as a Percent of Total State Unrestricted Revenues*

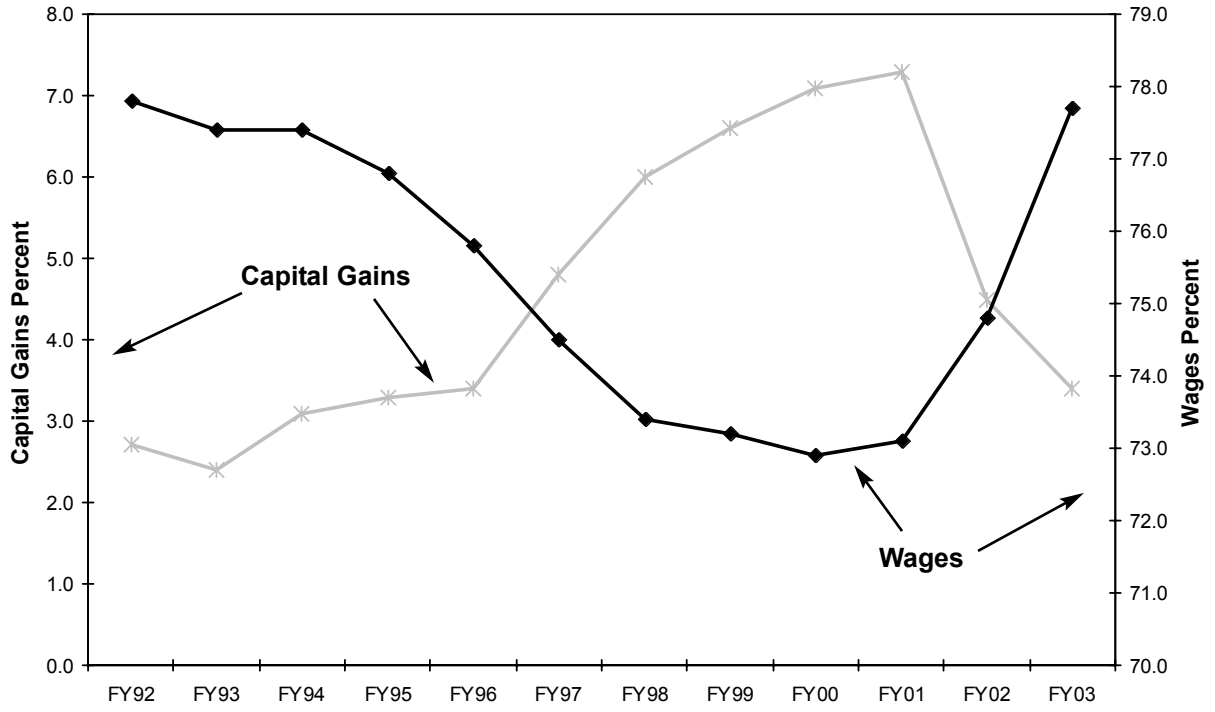


	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004e
Others	30.4	28.8	29.8	29.7	28.6	30.0	30.3	26.3	28.0	28.9	27.8	25.8	23.6	22.3	22.8	23.5	22.5	21.8	23.6	22.4	23.0	22.7	20.9	23.3	22.4
Sales	38.1	38.5	37.8	37.3	41.1	39.4	38.6	37.8	37.5	37.1	37.8	37.8	38.7	39.8	39.7	38.8	39.2	39.4	36.4	36.8	34.9	35.3	37.4	36.7	36.9
Income	31.5	32.7	32.4	33.1	30.3	30.6	31.1	35.9	34.5	34.0	34.4	36.4	37.7	37.9	37.4	37.7	38.3	38.8	40.0	40.8	42.1	42.0	41.7	40.0	40.7

Source: Governor's Office of Planning and Budget

Note: *The "Others" category includes unrestricted fines and fees, investment income, liquor profits, mineral lease, school land income (ended in fiscal 1988), federal revenue sharing (ended in fiscal 1982); and, corporate, gross receipts, severance, beer, cigarette, insurance, inheritance and motor fuels taxes.

Figure 39
IRS Wages and Capital Gains as a Percent of Total Taxable Income



Source: Governor's Office of Planning and Budget

Table 39
Cash Collection Unrestricted Revenues (Millions of Current Dollars): FY 1985 to FY 2004

	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
General Fund (GF)																				
Sales and Use Tax	555.4	558.6	559.0	617.6	667.4	707.4	740.3	802.4	881.9	978.2	1,055.1	1,162.5	1,252.1	1,251.8	1,316.4	1,369.6	1,431.4	1,441.3	1,444.0	1,466.5
Liquor Profits	18.9	19.0	17.2	15.9	16.0	16.6	17.6	16.6	18.1	17.9	20.1	22.2	24.3	26.3	26.9	28.7	30.3	32.5	33.2	35.9
Insurance Premiums	22.3	26.1	27.8	28.2	26.4	30.0	27.8	30.2	34.0	38.2	40.9	40.1	43.1	44.6	47.7	52.2	46.0	56.6	59.0	63.1
Beer, Cigarette, and Tobacco	21.3	21.1	24.0	29.2	30.7	30.2	31.0	34.6	34.3	36.4	37.7	37.8	41.2	53.2	60.1	58.0	57.9	60.0	54.2	60.6
Severance Taxes	46.9	43.8	21.5	29.2	28.1	30.1	31.0	18.2	19.3	18.9	21.4	20.4	23.8	23.0	13.1	23.0	45.6	23.8	32.6	33.9
Inheritance Tax	4.8	4.7	2.3	3.4	9.8	7.6	4.8	4.0	7.6	8.2	25.0	8.3	10.3	25.4	8.2	64.6	30.0	9.4	33.0	8.3
Investment Income	14.4	12.0	3.8	10.7	19.2	17.9	11.0	7.0	4.4	6.4	12.3	16.8	16.3	15.7	15.0	19.5	27.5	9.7	6.5	7.6
Other	23.4	22.2	24.7	26.5	27.4	32.6	33.9	27.7	26.0	30.0	32.9	37.2	34.9	40.8	38.3	41.0	46.5	50.6	88.2	85.1
Circuit Breaker Credits	-2.2	-1.5	-1.2	-1.2	-1.4	-3.4	-3.5	-4.1	-4.2	-4.5	-4.7	-4.6	-4.4	-4.5	-5.3	-4.4	-5.4	-5.3	-5.5	-5.5
Subtotal GF	705.1	706.0	679.1	759.6	823.7	869.1	894.0	936.5	1,021.4	1,129.7	1,240.6	1,340.6	1,441.6	1,476.2	1,520.4	1,652.2	1,709.8	1,678.7	1,745.0	1,755.2
School Fund (SF)																				
Individual Income Tax	435.5	454.3	533.3	569.9	615.6	647.6	717.6	784.4	842.3	925.3	1,026.9	1,139.1	1,237.3	1,377.5	1,463.9	1,654.9	1,712.7	1,610.2	1,575.5	1,621.1
Corporate Franchise Tax	65.9	84.0	68.9	78.8	93.0	99.7	87.8	80.9	79.5	121.1	153.5	168.4	182.9	189.1	184.3	179.6	174.8	119.4	152.4	144.2
School Land Income	18.4	11.2	7.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Permanent Fund Interest	0.0	0.0	0.0	2.1	3.1	4.5	4.6	4.7	6.5	4.4	4.9	3.2	3.5	2.5	6.8	2.4	9.0	9.6	8.4	8.8
Gross Receipts Tax	0.0	0.0	0.5	4.5	2.8	4.2	3.7	3.6	4.5	4.1	4.4	8.4	9.1	7.2	7.9	7.3	8.3	8.0	8.1	7.8
Other	9.8	11.2	12.3	9.9	13.7	11.2	12.9	16.4	5.5	6.9	8.4	8.5	4.8	7.1	7.6	8.5	9.7	5.6	5.0	7.3
Subtotal SF	529.6	560.8	623.0	665.1	728.3	767.2	826.5	890.0	938.2	1,061.8	1,198.0	1,327.5	1,437.6	1,583.3	1,670.5	1,852.8	1,914.4	1,752.7	1,749.4	1,789.1
Transportation Fund (TF)																				
Motor Fuel Tax	89.3	92.2	100.0	129.4	131.2	132.5	131.1	136.4	141.3	150.4	155.5	163.2	168.4	217.7	225.2	237.6	229.4	237.9	236.6	240.1
Special Fuel Tax	17.8	19.4	20.6	27.6	29.3	29.1	36.8	33.4	35.6	36.2	40.7	43.7	46.2	72.4	73.2	76.6	80.6	84.4	84.5	86.5
Other	33.8	34.7	34.8	35.5	36.9	38.7	39.6	44.6	47.3	49.6	52.6	54.3	52.6	54.8	58.5	65.0	64.5	62.8	65.4	66.5
Subtotal TF	140.9	146.2	155.4	192.4	197.4	200.3	207.4	214.3	224.2	236.2	248.7	261.2	267.3	344.9	356.9	379.1	374.5	385.2	386.6	393.1
Mineral Lease Payments	34.2	32.6	22.4	28.8	50.8	34.9	32.4	32.5	30.3	33.3	29.1	34.7	34.1	33.5	31.5	39.6	57.9	36.6	53.1	38.3
TOTAL	1,409.8	1,445.6	1,479.9	1,645.9	1,800.2	1,871.4	1,960.3	2,073.4	2,214.1	2,461.0	2,716.4	2,964.0	3,180.6	3,437.9	3,579.2	3,923.7	4,056.5	3,853.2	3,934.0	3,975.6

Sources: Comprehensive Annual Reports, Division of Finance; Utah State Tax Commission Annual Reports; Governor's Office of Planning and Budget

Table 40
Cash Collection Unrestricted Revenues (Current Dollar Percent Changes): FY 1985 to FY 2004

	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
General Fund (GF)																				
Sales and Use Tax	na	0.6	0.1	10.5	8.1	6.0	4.6	8.4	9.9	10.9	7.9	10.2	7.7	0.0	5.2	4.0	4.5	0.7	0.2	1.6
Liquor Profits	na	0.7	-9.6	-7.3	0.4	3.9	5.8	-5.5	9.3	-1.3	12.2	10.3	9.7	8.2	2.3	6.6	5.6	7.6	1.9	8.1
Insurance Premiums	na	17.1	6.5	1.7	-6.4	13.7	-7.2	8.4	12.7	12.3	7.3	-2.0	7.4	3.4	7.1	9.3	-11.8	23.1	4.2	6.9
Beer, Cigarette, and Tobacco	na	-1.2	14.0	21.6	5.3	-1.8	2.7	11.5	-0.9	6.3	3.4	0.3	9.0	29.2	12.8	-3.4	-0.2	3.5	-9.6	11.7
Severance Taxes	na	-6.6	-50.8	35.3	-3.5	7.0	3.1	-41.5	6.1	-2.0	13.4	-4.9	16.8	-3.2	-43.3	76.3	98.0	-47.7	36.6	3.9
Inheritance Tax	na	-1.3	-50.9	48.5	183.6	-22.3	-36.6	-17.4	91.9	7.4	204.8	-66.6	23.5	147.2	-67.6	683.7	-53.5	-68.6	249.9	-74.8
Investment Income	na	-16.3	-68.1	178.6	80.0	-7.0	-38.8	-36.1	-37.8	46.2	93.4	36.5	-2.8	-3.6	-4.5	29.9	40.9	-64.6	-33.5	16.7
Other	na	-5.0	11.0	7.2	3.7	18.8	4.2	-18.4	-6.0	15.3	9.6	12.9	-6.1	16.8	-6.1	7.1	13.5	8.8	74.1	-3.5
Circuit Breaker Credits	na	-32.9	-16.4	-7.2	21.2	140.9	4.5	15.8	2.9	7.0	5.7	-1.7	-4.4	1.8	17.0	-17.4	23.8	-1.3	3.2	-1.1
Subtotal GF	na	0.1	-3.8	11.9	8.4	5.5	2.9	4.8	9.1	10.6	9.8	8.1	7.5	2.4	3.0	8.7	3.5	-1.8	3.9	0.6
School Fund (SF)																				
Individual Income Tax	na	4.3	17.4	6.9	8.0	5.2	10.8	9.3	7.4	9.9	11.0	10.9	8.6	11.3	6.3	13.1	3.5	-6.0	-2.2	2.9
Corporate Franchise Tax	na	27.5	-18.0	14.4	18.0	7.2	-12.0	-7.8	-1.8	52.3	26.8	9.7	8.6	3.4	-2.5	-2.5	-2.7	-31.7	27.7	-5.4
School Land Income	na	-39.0	-29.3	na	na	na	na	na	na	na	na	na	na	na	na	na	na	na	na	na
Permanent Fund Interest	na	na	na	na	49.9	45.8	1.3	2.8	37.5	-32.0	10.9	-35.5	9.8	-29.4	178.0	-64.9	274.7	7.7	-13.1	4.9
Gross Receipts Tax	na	na	na	782.0	-37.4	48.3	-11.7	-2.9	25.9	-8.4	6.3	90.3	8.6	-20.8	10.3	-7.4	13.6	-4.6	1.7	-3.6
Other	na	15.2	9.7	-20.2	39.6	-18.6	15.1	27.1	-66.4	25.9	20.7	1.3	-42.7	45.9	7.1	11.9	13.8	-42.4	-10.7	47.1
Subtotal SF	na	5.9	11.1	6.8	9.5	5.3	7.7	7.7	5.4	13.2	12.8	10.8	8.3	10.1	5.5	10.9	3.3	-8.4	-0.2	2.3
Transportation Fund (TF)																				
Motor Fuel Tax	na	3.2	8.5	29.4	1.4	1.0	-1.1	4.0	3.6	6.4	3.4	5.0	3.2	29.3	3.5	5.5	-3.4	3.7	-0.5	1.4
Special Fuel Tax	na	8.9	6.5	33.6	6.4	-0.7	26.4	-9.2	6.5	1.8	12.3	7.6	5.7	56.7	1.1	4.6	5.2	4.7	0.1	2.3
Other	na	2.6	0.5	2.0	3.8	4.9	2.3	12.7	6.1	4.8	6.1	3.1	-3.0	4.1	6.7	11.1	-0.8	-2.6	4.1	1.7
Subtotal TF	na	3.7	6.3	23.8	2.6	1.4	3.6	3.3	4.6	5.4	5.3	5.0	2.3	29.0	3.5	6.2	-1.2	2.9	0.4	1.7
Mineral Lease Payments	na	-4.7	-31.3	28.8	76.2	-31.2	-7.3	0.5	-6.9	10.1	-12.8	19.5	-1.8	-1.8	-6.1	26.0	46.0	-36.7	45.0	-28.0
TOTAL	na	2.5	2.4	11.2	9.4	4.0	4.7	5.8	6.8	11.2	10.4	9.1	7.3	8.1	4.1	9.6	3.4	-5.0	2.1	1.1
Average Annual Growth Rates	na	2.5	2.5	5.3	6.3	5.8	5.6	5.7	5.8	6.4	6.8	7.0	7.0	7.1	6.9	7.1	6.8	6.1	5.9	5.6

Sources: Comprehensive Annual Reports, Division of Finance; Utah State Tax Commission Annual Reports; Governor's Office of Planning and Budget

Table 41
State Tax and Fee Changes (Over $500,000) Enacted in the FY95 through FY03 Regular and Special Legislative Sessions (A)(B)(C)

Bill Number and Effective Year	Bill Subject	Tax & Fee Changes	Ten Year Cumulative
FY 1995			
H.B. 145 (1994 Session)	Sales Tax Exemption - Replacement Parts for Steel Mills	($516,700)	
H.B. 162 (1994 Session)	Sales Tax - Repeal of Flood Tax Authorization	(23,600,000)	
Various Bills (1994 Session)	Sales Tax Exemptions Repealed	10,713,500	
S.B. 9 (1994 Session)	Property Tax Rate & Residence Exemption Changes	(8,500,000)	
S.B. 191 (1994 Session)	Treatment of Admission and User Fees	3,290,000	
	Subtotal FY 1995	($18,613,200)	($186,132,000)
FY 1996			
Various Bills (1995 Session)	Sales Tax Exemptions Authorized	($3,613,000)	
S.B. 254 (1995 Session)	Gross Receipts Taxes	9,400,000	
S.B. 56 and 254 (1995 Session)	Property Taxes (1)	(141,440,833)	
S.B. 56 and 254 (1995 Session)	Income Taxes (1)	4,500,000	
	Subtotal FY 1996	($131,153,833)	($1,180,384,497)
FY 1997			
S.B. 56 and 254 (1995 Session)	Property Taxes (Restricted to New Growth, 1995 Session) (1)	($8,703,800)	
H.B. 274 (1995 Session)	Additional Sales Tax on Construction Projects (1995 Session)	(2,000,000)	
Various Bills (1996 Session)	Reinstate Sales Tax Exemptions	(1,188,300)	
H.B. 349 (1996 Regular Session)	Gross Receipts Taxes - Modifications (2)	(4,750,000)	
H.B. 404 (1996 Regular Session)	Income Tax - Health Care Insurance Deduction (3)	(4,000,000)	
H.B. 405 (1996 Regular Session)	Minimum School Program Act (Property Taxes)	(30,000,000)	
H.B. 405 (1996 Regular Session)	Income Taxes (1)	1,500,000	
H.B. 3001 (1996 November Session)	Sales Tax - Manufacturing Exemption Modifications (1996 November Session) (4)	(8,700,000)	
S.B. 195 (1996 Regular Session)	Income Tax - Credit for Disabled Education Costs	(750,000)	
S.B. 237 (1996 Regular Session)	Income Tax Rate Reductions (5)	(41,000,000)	
	Subtotal FY 1997	($99,592,100)	($796,736,800)
FY 1998			
H.B. 3001 (1996 November Session)	Additional Sales Tax - Manufacturing Exemption Modifications (1996 November Session) (4)	(8,700,000)	
S.B. 161 (1997 Session)	Motor Vehicle Compliance With Insurance, Registration, And Sales Tax Requirements	870,000	
S.B. 252 (1997 Session)	Collection of Fuel Tax (7)	10,000,000	
S.B. 253 (1997 Session)	Fuels Taxes, and Repeal of Environmental Surcharge on Petroleum (8)	63,250,000	
S.B. 253 (1997 Session)	Sales Tax Reduction (8)	(34,300,000)	
H.B. 27 (1997 Session)	Cigarettes Tax Increase and Regulation (6)	21,800,000	
H.B. 111 (1997 Session)	Transportation Corridor Funding (9)	4,300,000	
H.B. 225 (1997 Session)	Assessment on Workers' Compensation (10)	6,100,000	
H.B. 414 (1997 Session)	Registration Fee on Vehicles (11)	16,500,000	
	Subtotals FY 1998	$79,820,000	$558,740,000
FY 1999			
H.B. 3001 (1996 November Session)	Additional Sales Tax - Manufacturing Exemption Modifications (1996 November Session) (4)	($11,200,000)	
	Subtotals FY 1999	($11,200,000)	($67,200,000)
FY 2000			
H.B. 58 (1998 Session)	Oil and Gas Severance Tax Amendments (12)	($900,000)	
S.B. 47 (1998 Session)	Research Tax Credit (13)	(3,200,000)	
S.B. 185 (1998 Session)	Sales and Use Tax Exemption Amendments and Study (14)	5,600,000	
S.B. 220 (1998 Session)	Research and Development Credit for Machinery and Equipment (15)	(2,000,000)	
H.B. 396 (1999 Session)	Sales and Use Tax Exemption for Steel Mills	(617,500)	
S.B. 69 (1999 Session)	Manufacturing Sales and Use Tax Exemption (16)	(5,600,000)	
S.B. 150 (1999 Session)	Utilities in Highway Rights-of-Way (17)	1,600,000	
	Subtotals FY 2000	($5,117,500)	($25,587,500)
FY 2001			
H.B. 25 (1999 Session)	Income Tax Deduction for Health Care Insurance (18)	($1,770,000)	
S.B. 62 (1999 Session)	Individual Income Tax Credits for At-Home Parents	(500,000)	
H.B. 345 (2000 Session)	Unemployment Insurance Amendments (19)	(26,500,000)	
S.B. 15 (2000 Session)	Use of Tobacco Settlement Revenues (20)	(5,500,000)	
	Subtotals FY 2001	($34,270,000)	($137,080,000)
FY 2002			
HB 78 (2001 Session)	Sales and Use Tax - Sales Relating to Schools (School Related Activities)	($281,000)	
SB 34 (2001 Session)	Individual Income Tax - Relief for Low Income Individuals (21)	(800,000)	
SB 36 (2001 Session)	Individual Income Tax Bracket Adjustments (22)	(18,000,000)	
SB 58 (2001 Session)	Repeal of Nursing Facilities Assessment (23)	(4,422,400)	
HB 205 (2001 Session)	Employers' Reinsurance Fund Special Assessment (Workers' Compensation) (10)	6,135,000	
HB370 (2001 Session)	Hazardous Waste Amendment (24)	1,694,000	
	Subtotals FY 2002	($15,674,400)	($47,023,200)
FY 2003			
HB238 (2002 Session)	Cigarette and Tobacco Tax Amendments (25)	$13,800,000	
	Subtotals FY 2003	$13,800,000	$27,600,000
FY 2004			
SB66 (2003 Session)	Alcoholic Beverage Enforcement & Treatment (26)	$1,567,000	
SB85 (2003 Session)	Underground Storage Tank Amendments (27)	4,048,900	
SB153 (2003 Session)	Alcoholic Beverage Amendments (28)	3,818,000	
SB213 (2003 Session)	Cable and Satellite TV Service Tax (29)	14,000,000	
HB286 (2003 Session)	Hazardous Waste Collection/Storage Fee (30)	2,769,500	
HB371 (2003 Session)	Court Security Fee (31)	2,200,000	
	Subtotals FY 2004	$28,403,400	$28,403,400
Grand Total for Taxes and Fees FY 1995 to FY 2004 (A)(B)(C)		**($193,597,633)**	**($1,825,400,597)**

*See next page for footnotes

Table 41 (Continued)
State Tax and Fee Changes (Over $500,000) Enacted in the FY95 through FY03 Regular and Special Legislative Sessions (A)(B)(C)

FOOTNOTES:
(A) This table is not adjusted for tax increases due to income tax "bracket creep." The most recent fiscal note estimate for indexing income taxes for inflation is $3.9 million (fiscal note from the 2000 General Session). Tax increases due to “bracket creep” have been lessened in the 1990’s due to lower inflation (than in the 1970’s and 1980’s) and because most taxpayers have “creeped” into the top income tax bracket.
B) This table is not adjusted for inflation. Only fiscal notes for state tax and fee increases or decreases greater than or equal to $200,000 are listed. Changes in local taxes are excluded. Extentions of existing laws are excluded. For example, SB76 (1999 Session) extended the sales tax exemption for pollution equipment at a cost of $6,000,000.
(C) This table does NOT include shifts within the total state budget due to earmarking or other diversions. For example, H.B. 393 (1996 Session) reduces General Fund sales tax revenues by $36 million beginning in FY1998 in order to earmark sales taxes to local water and local transportation projects; but, total budget sales taxes were not reduced by this bill.
(1) In 1995 the Legislature and Tax Commission increased the residential exemption from 32% to 45%, decreased the basic school rate from .00422 to .00264, and reduced the state assessing and collecting rate from .0003 to .000281. The 1995 Legislature also restricted the growth in taxable valuations to new growth only, effective in fiscal year 1997. In 1996 the Legislature further ordered the Tax Commission to reduce the basic school rate to a level sufficient to generate a $30 million tax cut. State income taxes increased due to the reduction in property tax deductibility against federal income taxes owed.
(2) Effective January 1, 1996, reduced gross receipts tax rates 53% to benefit electric utilities.
(3) Effective January 1, 1996, allows 60 percent of health care insurance, not already deductible against federal taxes, to be deducted against state taxes owed.
(4) As of July 1996 (FY97), 30% of the exemption is allowed, as of July 1997 60% is allowed, and as of July 1998 100% is allowed. The original fiscal note for FY99 was $28.6 million. The Tax Commission subsequently ruled that parts (in addition to equipment) were eligible for the exemption (which raised the fiscal note to $71.3 million). In November 1996 a special session of the legislature met to modify the law in order to restore the fiscal note to $28.6 million in FY99.
(5) Reduced effective income tax rates as of January 1, 1996. Reduced top rate from 7.2 percent to 7.0 percent on taxable incomes over $7,500. The minimum income tax rate will be reduced from 2.55% to 2.3%.
(6) Increases the cigarette tax 25 cents per pack. FY1997 fiscal impact is from stocking up of inventories in order to partially avoid the July 1, 1997 tax increase.
(7) Changes the point of collection for the diesel fuels tax from dealers to refineries.
(8) Raises the diesel and gasoline tax 5 cents a gallon and reduces the sales tax by 1/8th cent. Enactment of this bill will generate $63,250,000 in increased revenue to the Transportation Fund due to the increase in the diesel and gas tax and the ½ cent diversion from underground storage tanks to highways. There will be a decrease in General Fund sales taxes of $34,300,000. The net tax change from this bill is $28,950,000.
(9) Implements a 2.5% tax on rental cars to pay for transportation corridors.
(10) Permits the Department of Workforce Services to impose an assessment related to the Employers' Reinsurance Fund.
(11) Increases the vehicle registration fee by $10 and trucking fees by about 10%. This restricted money goes into the Centennial Highway Trust Fund.
(12) Extends the repeal date for a tax credit for workover credits and recompletions of oil wells.
(13) Gives a 6% tax credit for qualified research activities conducted in the state.
(14)Reduces the sales tax exemption for machinery and equipment from 100% in FY1999 to 80% in FY2000. After July 1, 1999, vendors shall collect sales tax on 20% of the sales price of normal operating replacements.
(15) Gives a 6% individual or corporate income tax credit on the purchase price of machinery, equipment or both.
(16) Reinstates the manufacturing sales tax exemption on replacement parts at 100%. S.B. 185 (1998 Session) had previously reduced this exemption to 80%.
(17) Permit fees and compensation paid into the Transportation Fund for access to rights-of-way on Interstate Highways by telecommunication companies.
(18) Increases income tax deduction for amounts paid for health care insurance from 60% to 100% of amounts not deducted from federal taxes.
(19) Changes in the reserve rate and calculation method will produce a tax reduction for all employers paying this insurance at the contributory rate. Taxes (income to the Employment Compensation Fund) will be reduced by $26,500,000 per year beginning in fiscal year 2001. The reserve fund was reduced from 22 to 18 months.
(20) The hospital assessment tax was repealed in fiscal year 2001. This was a tax rate on hospital gross revenues, as well as $0.9 for each surgery performed. The tax rate was adjusted quarterly so that no more than $5.5 million annually was collected.
(21) Exempts an individual from paying income taxes if federal AGI is less than the sum of the individual's personal exemptions plus his/her standard deduction (removes about 30,000 low income individuals from state income tax rolls).
(22) The top bracket was increased from $7,500 to $8,626 and the bottom bracket was increased from $1,500 to $1,726 (15,000 taxpayers were dropped out of the highest bracket).
(23) Repeals the $1.83 per patient day nursing home "bed" tax (the hospital bed tax was repealed in the 2000 General Session).
(24) Established fees and taxes that apply to the reprocessing, treatment, or disposal of certain types of radioactive waste.
(25) Increased tax on cigarettes 18 cents per 20 pack, from 51.5 cents to 69.5 cents.
(26) Increased tax on 31-gallon barrel of beer from $11 to $12.80 and created the Alcoholic Beverage Enforcement and Treatment Restricted Account.
(27) Increased the environmental assurance fee of 1/4 cent per gallon on the first sale or use of petroleum products to 1/2 cent per gallon. The fee will be reduced when the cash balance in the restricted Petroleum Storage Tank Trust Fund exceeds $20,000,000 in any year.
(28) Increased some fees and the mark-up on liquor from 61% to 64.5%.
(29) Imposed sales and use tax on cable and satellite TV service.
(30) Increased regulatory fees and taxes on radioactive and hazardous waste received at waste facilities for treatment or disposal.
(31) Increased court filing fees to fund creation of Court Security Account which will be used to contract for security at courts across the state. Money is deposited into a restricted account.

International Merchandise Exports

Overview

Utah's exports fell 8.8% during 2003, from $4.5 billion to $4.1 billion. Utah's merchandise exports have been at or above $3.0 billion since 1997 and above $4.0 billion since 2002. Air shipments of gold to Switzerland and the United Kingdom accounted for almost 40% of the total during 2003. Signaling the beginning of a new trend in the global economy, Utah's exports to China exceeded $100 million for the first time ever, ranking China the sixth-largest market for Utah exports. As the world economic recovery strengthens during 2004, Utah's exports should begin to grow.

2003 Summary

Utah's Merchandise Exports in National Context. Utah ranked 32nd among the states in the value of merchandise exports during 2003. Export estimates for 2003 are based on the first three quarters of data reported by the U.S. Census Bureau. While Utah's exports fell, merchandise exports for the nation as a whole increased a modest 1.9%, from $694.5 billion in 2002 to $706.5 billion in 2003. Exports grew in 31 states, and fell in 29. Utah's $4.1 billion in exports are 4.3% of Texas' $97.0 billion. As the leading state, Texas accounted for almost one-seventh of the nation's total. With $90.2 billion in exports, second place California joins Texas in being far ahead of the rest of the states.

Utah's Merchandise Exports by Industry. During 2003, exports of primary metal products (almost exclusively gold) were $1.6 billion, 39.1% of the total. Other major export products include computers and electronics ($598 million, or 14.4%), transportation equipment ($474 million, or 11.4%), chemicals ($313 million, or 7.6%), and food ($277 million, or 6.7%).

Destination of Utah's Merchandise Exports. Utah's largest markets for merchandise exports are in Western Europe, East Asia, and Canada. During 2003, the top five purchasing countries accounted for $2.8 billion of the $4.1 billion total, or 68.2%, while the top ten accounted for $3.3 billion, or 80.3%. Exports of gold to Switzerland and the UK make them, respectively, Utah's number one and two customers. China is now Utah's number six customer, essentially tied with number five Netherlands.

Significant Issues

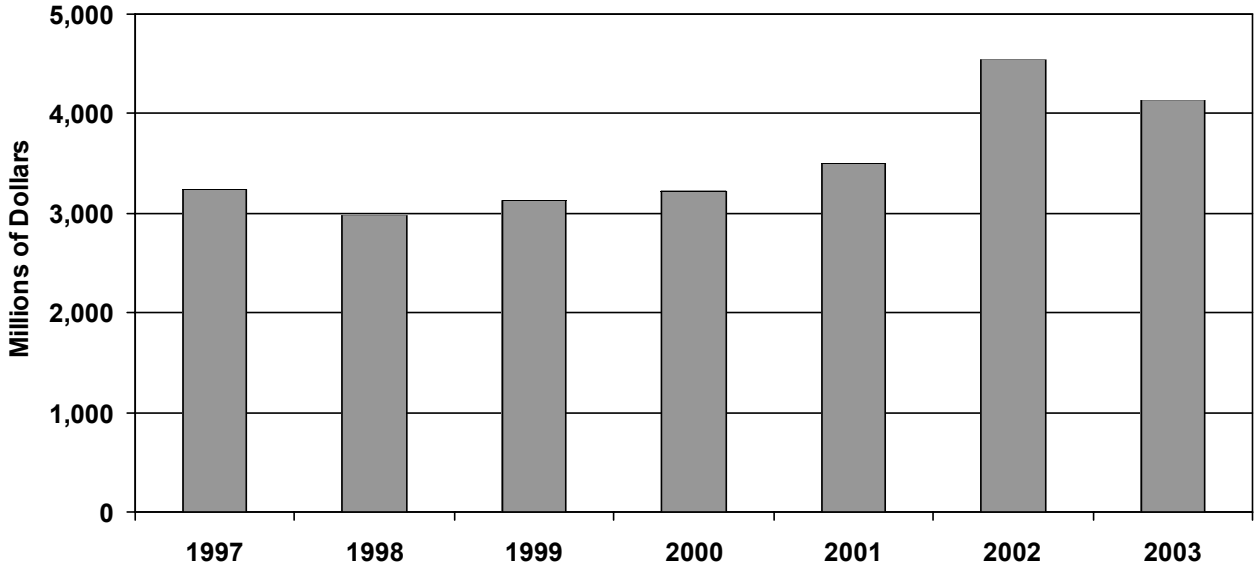
Gold. The amount of gold the Census Bureau reports as being exported from Utah is dramatically larger than what is mined in Utah. Conversations with industry contacts suggest essentially all of the gold mined in Utah remains within the US, and is not included in exports. It appears the gold exported from Utah is mined in other Western States. Partially refined ore is shipped into Utah for final processing to pure gold, it seems, and then shipped to customers in Switzerland and the UK.

China. World Trade Organization (WTO) membership for China appears to be yielding returns for Utah exporters. Utah's exports to China have almost tripled from $40.6 million before entering the WTO to $116.7 million during 2003. At $60.7 million, computers and electronics are Utah's largest export to China, accounting for more than half the total. China also made large purchases of food, scrap, and chemicals from Utah. Utah now exports more to China than to Germany. If economic and political liberalization continue, China could soon pass Japan as Utah's largest market in East Asia.

Conclusion

Utah's exports fell 8.8% during 2003, from $4.5 billion to $4.1 billion. Final processing in Utah of gold ore mined out of state appears to account for almost 40.0% of Utah's Exports. For the first time ever, Utah exporters shipped more than $100 million of products to China. With demand rising world wide, Utah's exports should increase during 2004.

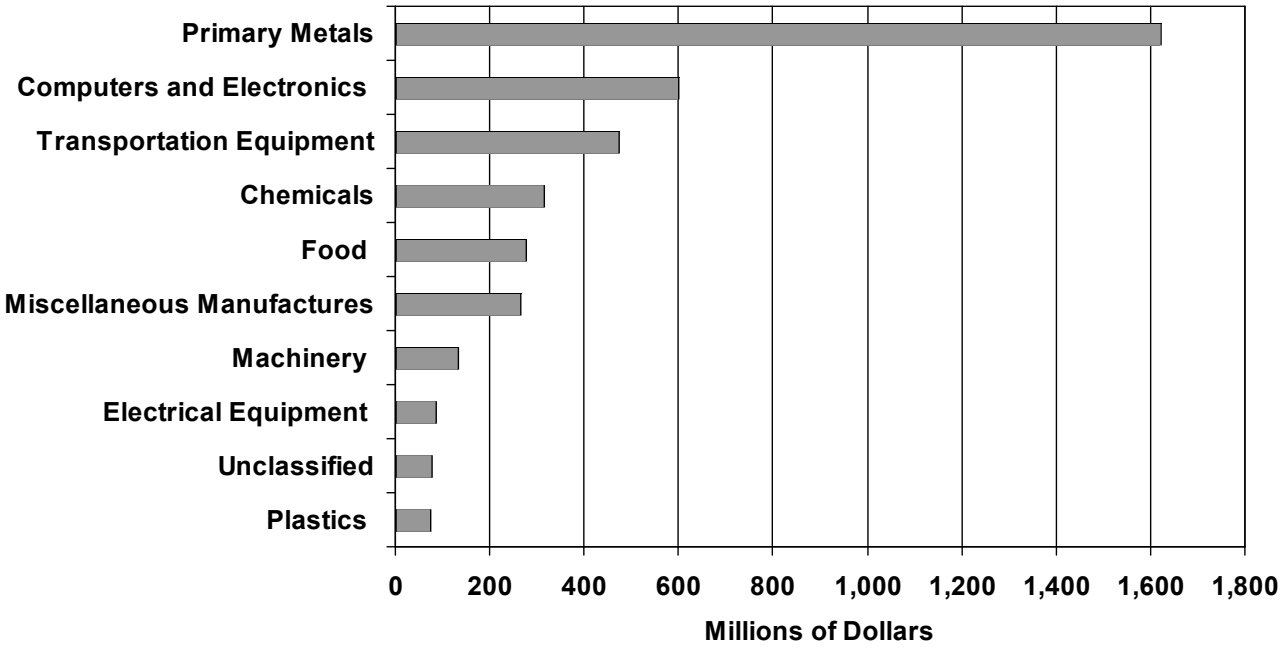
Figure 40
Utah Merchandise Exports (Millions of Dollars)



Note: Exports for 2003 are estimated based on the first three quarters.

Source: U.S. Census Bureau

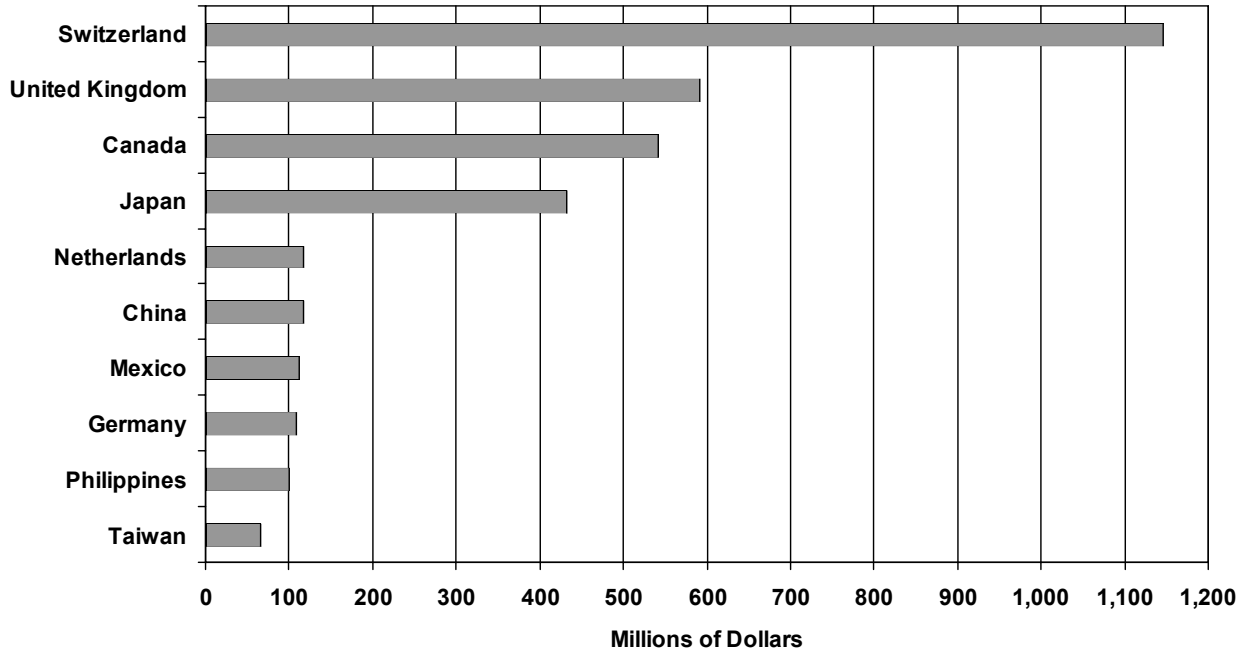
Figure 41
Utah Merchandise Exports by Top Ten Industries: 2003



Note: Exports for 2003 are estimated based on the first three quarters.

Source: U.S. Census Bureau

Figure 42
Utah Merchandise Exports to Top Ten Purchasing Countries: 2003



Note: Exports for 2003 are estimated based on the first three quarters.

Source: U.S. Census Bureau

Table 42
Utah Merchandise Exports by Purchasing Country and Region (Millions of Dollars)

Rank	Country	1997	1998	1999	2000	2001	2002	2003	2002-03 Percent Change	2003 Share
1	Switzerland	71.4	248.8	399.5	452.9	696.4	1341.2	1145.5	-14.6%	27.7%
2	United Kingdom	768.2	720.2	628.9	246.0	421.3	710.2	590.5	-16.9%	14.3%
3	Canada	495.8	486.8	568.5	605.8	543.2	513.3	540.6	5.3%	13.1%
4	Japan	516.3	397.1	378.5	402.1	396.4	427.1	431.3	1.0%	10.4%
5	Netherlands	108.8	98.2	120.8	151.2	154.3	137.8	117.2	-15.0%	2.8%
6	China	26.0	33.6	17.3	32.6	40.6	64.2	116.9	82.3%	2.8%
7	Germany	147.1	88.0	75.7	104.5	93.6	68.8	110.9	61.1%	2.7%
8	Mexico	88.6	77.1	78.7	102.1	113.6	134.2	108.0	-19.5%	2.6%
9	Philippines	94.5	111.6	79.6	105.2	79.4	84.8	100.0	18.0%	2.4%
10	Taiwan	98.8	44.6	43.6	76.3	57.1	59.7	65.5	9.8%	1.6%
11	South Korea	112.1	50.7	67.2	128.9	127.6	88.4	65.4	-26.0%	1.6%
12	Australia	33.2	44.2	44.9	59.7	54.1	51.6	64.4	24.8%	1.6%
13	Belgium	74.0	45.2	53.1	72.8	58.6	62.7	64.1	2.2%	1.5%
14	France	46.1	42.7	57.1	46.9	54.1	51.1	59.1	15.8%	1.4%
15	Hong Kong	44.1	28.5	40.4	58.4	53.2	67.4	57.6	-14.6%	1.4%
16	Singapore	63.0	38.0	44.0	54.9	46.3	263.6	39.3	-85.1%	0.9%
17	Italy	48.6	27.0	45.9	39.6	37.5	39.1	38.1	-2.5%	0.9%
18	Costa Rica	2.9	2.2	2.7	18.6	20.8	31.0	32.0	3.4%	0.8%
19	Thailand	74.9	50.9	23.4	17.9	23.3	29.0	30.5	5.3%	0.7%
20	Spain	15.7	19.3	15.0	18.2	19.6	23.9	25.7	7.6%	0.6%
21	Malaysia	57.5	70.5	47.3	44.0	50.3	31.2	25.3	-19.0%	0.6%
22	India	7.4	4.6	5.8	11.8	12.0	12.8	21.1	64.7%	0.5%
23	Brazil	15.4	14.6	24.5	41.1	41.7	12.8	19.9	55.1%	0.5%
24	Israel	9.6	9.7	8.6	8.9	9.7	9.4	19.2	104.0%	0.5%
25	Ireland	45.9	50.5	64.0	98.3	55.3	18.0	19.1	5.9%	0.5%
26	Kuwait	4.0	3.8	2.5	1.0	1.0	2.9	15.8	452.9%	0.4%
27	Turkey	4.1	7.5	19.8	30.3	33.5	23.4	11.9	-49.1%	0.3%
28	Russian Federation	4.8	2.3	3.0	5.7	3.8	7.8	11.5	47.4%	0.3%
29	Sweden	21.6	23.7	7.1	12.2	13.6	14.0	9.9	-29.1%	0.2%
30	Chile	23.9	17.8	6.2	7.1	5.9	6.2	8.9	44.4%	0.2%
31	Nigeria	1.3	0.3	0.3	2.4	4.1	0.4	8.7	2269.8%	0.2%
32	New Zealand	12.1	9.2	9.7	7.0	6.4	6.9	8.2	18.2%	0.2%
33	Norway	3.7	5.6	3.8	5.7	8.8	11.6	8.1	-29.8%	0.2%
34	Peru	4.1	3.7	2.9	4.7	5.8	3.7	7.8	113.2%	0.2%
35	Finland	3.4	3.4	4.3	3.4	5.5	7.7	6.0	-22.2%	0.1%

Rank	Region								2002-03 Percent Change	2003 Share
1	Western Europe	1,370.3	1,393.5	1,521.0	1,301.6	1,669.7	2,525.5	2,219.3	-12.1%	53.6%
2	East Asia	1,096.4	830.3	746.0	923.4	880.3	1,119.6	936.5	-16.4%	22.6%
3	Canada	495.8	486.8	568.5	605.8	543.2	513.3	540.6	5.3%	13.1%
4	Latin America	78.2	65.0	71.8	110.0	119.3	94.1	108.6	15.3%	2.6%
5	Mexico	88.6	77.1	78.7	102.1	113.6	134.2	108.0	-19.5%	2.6%
6	West Asia	34.6	44.2	52.6	58.1	52.8	50.6	88.9	75.6%	2.1%
7	Australia/Pacific	46.2	54.4	55.9	68.0	61.8	60.3	75.1	24.7%	1.8%
8	Eastern Europe	13.9	15.0	24.3	31.3	38.3	31.8	41.7	31.0%	1.0%
9	Africa	13.4	11.3	14.2	19.8	27.1	13.0	23.0	76.8%	0.6%
	Total	3,237.3	2,977.6	3,133.0	3,220.2	3,506.0	4,542.4	4,141.6	-8.8%	100.0%

Notes:
1. Rank based on 2003 exports.
2. 2003 exports based on first three quarters.

Source: U.S. Census Bureau

Table 43
U.S. Merchandise Exports by State (Millions of Dollars)

Rank	State	1997	1998	1999	2000	2001	2002	2003	2002-03 Percent Change
25	Alabama	5,932	6,372	6,192	7,317	7,570	8,267	8,123	-1.7%
33	Alaska	2,721	1,954	2,564	2,464	2,418	2,516	2,887	14.7%
16	Arizona	13,820	11,415	11,824	14,334	12,514	11,871	12,932	8.9%
34	Arkansas	2,305	2,286	2,178	2,599	2,911	2,804	2,682	-4.3%
2	California	99,161	95,768	97,920	119,640	106,777	92,214	90,224	-2.2%
28	Colorado	5,120	5,266	5,931	6,593	6,126	5,522	5,772	4.5%
26	Connecticut	7,058	7,297	7,231	8,047	8,610	8,313	8,016	-3.6%
43	Delaware	2,067	2,232	2,287	2,197	1,985	2,004	1,904	-5.0%
47	District Of Columbia	485	348	412	1,003	1,034	1,066	879	-17.6%
8	Florida	23,234	24,452	24,155	26,543	27,185	24,544	24,342	-0.8%
13	Georgia	12,949	13,476	13,749	14,925	14,644	14,413	16,268	12.9%
51	Hawaii	334	276	274	387	370	514	366	-28.8%
42	Idaho	1,664	1,510	2,192	3,559	2,122	1,967	1,975	0.4%
7	Illinois	26,455	28,914	29,432	31,438	30,434	25,686	25,871	0.7%
12	Indiana	12,029	12,318	12,910	15,386	14,365	14,923	16,296	9.2%
29	Iowa	5,118	4,901	4,094	4,466	4,660	4,755	5,161	8.5%
31	Kansas	4,292	4,039	4,669	5,145	5,005	4,988	4,432	-11.1%
23	Kentucky	7,953	8,100	8,877	9,612	9,048	10,607	10,402	-1.9%
10	Louisiana	18,732	16,836	15,842	16,814	16,589	17,567	16,864	-4.0%
41	Maine	1,723	1,825	2,014	1,779	1,813	1,973	2,121	7.5%
30	Maryland	5,214	4,722	4,009	4,593	4,975	4,474	4,765	6.5%
9	Massachusetts	16,526	15,878	16,805	20,514	17,490	16,708	18,371	10.0%
4	Michigan	32,254	28,977	31,086	33,845	32,366	33,775	32,832	-2.8%
21	Minnesota	9,447	9,147	9,373	10,303	10,524	10,402	10,851	4.3%
37	Mississippi	2,290	2,286	2,216	2,726	3,557	3,058	2,519	-17.6%
27	Missouri	6,724	5,762	6,059	6,497	6,173	6,791	6,576	-3.2%
52	Montana	530	421	427	541	489	386	363	-5.8%
35	Nebraska	1,971	1,995	2,096	2,511	2,702	2,528	2,661	5.3%
44	Nevada	1,075	688	1,067	1,482	1,423	1,177	1,895	61.0%
45	New Hampshire	1,597	1,728	1,930	2,373	2,401	1,863	1,840	-1.3%
11	New Jersey	15,167	15,371	15,355	18,638	18,946	17,002	16,512	-2.9%
40	New Mexico	1,776	1,855	3,134	2,391	1,405	1,196	2,135	78.5%
3	New York	37,979	37,384	37,068	42,846	42,172	36,977	38,210	3.3%
14	North Carolina	16,402	15,706	15,007	17,946	16,799	14,719	16,121	9.5%
48	North Dakota	778	750	699	626	806	859	849	-1.2%
6	Ohio	24,903	24,852	24,883	26,322	27,095	27,723	29,845	7.7%
36	Oklahoma	2,728	2,785	2,987	3,072	2,661	2,444	2,579	5.5%
24	Oregon	9,151	9,031	10,471	11,441	8,900	10,086	10,303	2.1%
15	Pennsylvania	16,069	15,974	16,170	18,792	17,433	15,768	16,109	2.2%
18	Puerto Rico	5,601		8,301	9,735	10,573	9,732	11,589	19.1%
46	Rhode Island	1,088	1,102	1,116	1,186	1,269	1,121	1,170	4.4%
19	South Carolina	7,517	7,749	7,150	8,565	9,956	9,656	11,567	19.8%
49	South Dakota	517	446	495	679	595	597	645	8.1%
17	Tennessee	9,233	9,552	9,868	11,592	11,320	11,621	12,342	6.2%
1	Texas	76,184	78,875	82,999	103,866	94,995	95,396	97,015	1.7%
32	Utah	3,237	2,978	3,133	3,220	3,506	4,542	4,142	-8.8%
38	Vermont	3,811	3,668	4,023	4,097	2,830	2,521	2,390	-5.2%
53	Virgin Islands	233	90	155	174	187	258	263	2.2%
22	Virginia	12,755	12,514	11,483	11,698	11,631	10,796	10,569	-2.1%
5	Washington	32,752	38,249	36,731	32,215	34,929	34,627	32,618	-5.8%
39	West Virginia	2,276	2,106	1,893	2,219	2,241	2,237	2,292	2.4%
20	Wisconsin	10,125	9,752	9,673	10,508	10,489	10,684	11,262	5.4%
50	Wyoming	560	500	458	503	503	553	578	4.5%
	Unknown State	67,276	70,500	61,944	60,465	41,377	34,727	35,183	1.3%
	United States	688,896	682,977	695,009	782,429	730,897	693,517	706,476	1.9%

Notes:
1. Rank based on 2003 exports.
2. 2003 exports based on first three quarters.

Source: U.S. Census Bureau

Table 44
Utah Merchandise Exports by Industry (Thousands of Dollars)

INDUSTRY										2002-03 Percent	2003
Rank	Code	Name	1997	1998	1999	2000	2001	2002	2003	Change	Share
21	111	Agricultural Products	18,970	18,459	17,238	21,547	7,106	4,399	4,666	6.1%	0.1%
24	112	Livestock And Livestock Products	252	318	437	475	402	722	2,167	200.0%	0.1%
29	113	Forestry Products	535	389	548	606	514	484	525	8.4%	0.0%
25	114	Fish Products	10,507	5,043	3,047	2,161	5,228	1,267	1,709	34.9%	0.0%
30	211	Oil and Gas	13	49	0	39	0	15	93	507.2%	0.0%
12	212	Minerals	312,700	167,523	130,711	171,546	104,973	62,487	33,875	-45.8%	0.8%
5	311	Food	131,547	129,669	135,425	176,394	231,203	255,310	276,871	8.4%	6.7%
14	312	Beverages	1,717	3,923	4,987	3,625	5,278	5,724	24,650	330.7%	0.6%
23	313	Raw Textiles	3,305	2,724	3,783	10,011	8,146	7,110	3,168	-55.4%	0.1%
20	314	Milled Textiles	2,565	1,292	2,362	1,623	1,905	2,103	4,974	136.5%	0.1%
22	315	Apparel	5,089	4,409	6,560	4,370	5,038	3,434	3,881	13.0%	0.1%
19	316	Leather	5,775	7,279	14,485	10,114	7,047	6,554	5,386	-17.8%	0.1%
26	321	Wood Products	1,157	1,207	1,731	1,119	1,791	1,969	1,678	-14.8%	0.0%
13	322	Paper	7,519	10,979	37,419	43,046	45,158	43,496	26,151	-39.9%	0.6%
15	323	Printed Material	34,443	22,254	24,647	21,775	21,597	24,238	21,118	-12.9%	0.5%
28	324	Refined Petroleum	90	1,687	2,027	165	1,052	2,681	1,043	-61.1%	0.0%
4	325	Chemicals	213,598	204,280	153,385	170,403	229,872	264,505	312,833	18.3%	7.6%
10	326	Plastics	37,224	26,061	30,899	51,584	57,355	65,633	73,131	11.4%	1.8%
18	327	Stone, Clay, Glass, Concrete	7,929	7,328	9,981	10,930	12,451	11,231	9,396	-16.3%	0.2%
1	331	Primary Metals	944,850	944,538	975,144	661,588	1,008,351	1,913,423	1,620,513	-15.3%	39.1%
11	332	Fabricated Metals	54,704	46,312	38,918	47,664	57,331	53,854	58,527	8.7%	1.4%
7	333	Machinery	152,618	161,839	188,180	229,512	184,919	140,015	130,979	-6.5%	3.2%
2	334	Computers and Electronics	557,305	521,816	499,391	537,677	510,977	758,195	597,935	-21.1%	14.4%
8	335	Electrical Equipment	63,560	84,442	100,760	116,804	101,700	102,662	84,732	-17.5%	2.0%
3	336	Transportation Equipment	418,257	384,271	497,094	619,264	588,757	489,047	473,777	-3.1%	11.4%
16	337	Furniture	4,147	5,481	6,446	15,701	11,559	12,270	12,932	5.4%	0.3%
6	339	Miscellaneous Manufactures	165,403	142,736	163,635	192,570	214,517	213,184	263,307	23.5%	6.4%
17	910	Scrap	5,812	3,000	3,374	5,703	4,934	9,720	12,690	30.6%	0.3%
27	920	Used Merchandise	6,123	4,359	3,250	3,076	2,616	2,635	1,250	-52.6%	0.0%
9	980	Unclassified	69,633	63,914	77,090	89,098	74,196	84,013	77,664	-7.6%	1.9%
		Total	3,237,346	2,977,581	3,132,957	3,220,190	3,505,974	4,542,382	4,141,618	-8.8%	100.0%

Notes:
1. Rank based on 2003 exports.
2. 2003 exports based on first three quarters.

Source: U.S. Census Bureau

Table 45
Utah Merchandise Exports to Top Ten Purchasing Countries by Industry in 2003 (Thousands of Dollars)

Code	Industry Name	Switzerland	United Kingdom	Canada	Japan	Netherlands	China	Mexico	Germany	Philippines	Taiwan	Industry Total
111	Agricultural Products	0	13	117	4,100	171	0	0	0	0	11	4,411
112	Livestock And Livestock Products	0	0	35	0	0	0	900	105	0	0	1,040
113	Forestry Products	0	0	276	0	0	7	0	8	0	0	290
114	Fish Products	0	64	31	87	10	0	0	35	3	243	472
211	Oil and Gas	0	0	93	0	0	0	0	0	0	0	93
212	Minerals	0	269	1,253	1,652	1,158	150	463	243	0	99	5,288
311	Food	400	1,147	45,107	64,528	16,132	20,895	516	19,640	693	19,691	188,750
312	Beverages	0	1,143	2,774	19,795	4	0	84	0	0	0	23,801
313	Raw Textiles	0	45	339	5	5	6	0	826	29	33	1,289
314	Milled Textiles	0	72	2,253	441	16	61	6	702	65	99	3,714
315	Apparel	42	445	296	360	0	0	241	494	7	0	1,884
316	Leather	6	160	1,357	2,803	28	12	112	230	0	7	4,714
321	Wood Products	234	20	15	23	399	0	24	54	0	5	773
322	Paper	4	527	17,862	525	41	332	7	795	792	37	20,923
323	Printed Material	73	2,598	6,478	475	367	281	536	980	915	157	12,858
324	Refined Petroleum	0	0	488	0	0	27	249	93	0	0	857
325	Chemicals	518	8,081	47,458	112,329	6,178	8,031	5,860	11,415	593	18,877	219,340
326	Plastics	7	2,870	9,307	3,972	64	445	532	6,914	115	999	25,226
327	Stone, Clay, Glass, Concrete	5	404	6,130	121	163	91	113	40	0	40	7,107
331	Primary Metals	1,130,403	418,467	33,317	950	11,076	12	1,500	2,617	530	92	1,598,963
332	Fabricated Metals	62	4,968	25,789	2,209	243	3,045	1,602	3,148	785	96	41,947
333	Machinery	1,107	13,508	38,678	6,224	2,739	5,261	6,860	2,979	2,525	3,059	82,940
334	Computers and Electronics	4,735	59,862	45,562	81,393	10,635	60,765	49,489	3,610	90,830	17,912	424,792
335	Electrical Equipment	559	18,415	10,041	6,632	493	272	11,278	835	262	1,134	49,920
336	Transportation Equipment	317	36,932	177,015	79,780	52,877	5,351	7,808	40,940	829	800	402,649
337	Furniture	7	319	7,319	394	0	18	90	688	141	256	9,231
339	Miscellaneous Manufactures	7,008	17,807	47,248	39,356	14,017	2,889	19,885	7,955	458	1,871	158,494
910	Scrap	0	0	77	695	0	8,566	0	2,053	55	0	11,446
920	Used Merchandise	4	87	422	108	8	0	9	7	0	3	649
980	Unclassified	15	2,305	13,464	2,376	340	416	2,717	627	422	25	22,709
	Total	1,145,505	590,530	540,598	431,333	117,164	116,934	110,879	108,032	100,050	65,547	3,326,571

Note:
1. 2003 exports based on first three quarters.

Source: U.S. Census Bureau

Price Inflation and Cost of Living

Overview

Inflation increased in 2003 to 2.3%, compared to 1.6% in 2002, as measured by the CPI-U. The gross domestic product chain-type price deflator increased by 1.5% in 2003, compared to a 1.2% increase in 2002. The cost-of-living index went down for most of the monitored cities in Utah. The third quarter 2003 composite index (national average equals 100) for cities in Utah were: Salt Lake City, 102.7; Provo-Orem, 95.3; Cedar City, 88.7; St. George, 91.6; and Logan, 93.0.[1]

2003 Summary

Consumer Price Index. Due to a moderately strengthening economy and a weaker dollar, the national rate of inflation increased at a somewhat faster rate in 2003. The Consumer Price Index (CPI-U) is estimated to have increased by 2.3% in 2003, measured on an annual average basis, compared with1.6% in 2002.

Gross Domestic Product Deflators. In 2003, the Gross Domestic Product (GDP) chain-type implicit price deflator was estimated to have increased by 1.5%. The GDP personal consumption deflator in 2003 was estimated to have increased by 1.9% compared with 1.4% in 2002. Beginning in 1996, the Real Gross Domestic Product was reported using a chain-weighted inflation index. Under this method, the composition of economic output (the weighting) is updated each year.

Utah Cost of Living. The American Chamber of Commerce Researchers Association (ACCRA) Cost of Living Index is prepared quarterly and includes comparative data for approximately 270 urban areas. Participation in the Index is voluntary, and only those areas whose chambers of commerce or similar organizations choose to participate are included in the report. The Index consists of price comparisons for a single point in time, and does not measure inflation or price changes over time.

The cost of consumer goods and services in the urban areas is measured and compared with a national average of 100. The composite index is based on six components: grocery items, housing, utilities, transportation, health care, and miscellaneous goods and services.

The second quarter 2003 composite index for Logan was 93.0, slightly lower than the composite index from the same period in 2002. The second quarter 2003 composite index for Provo-Orem was 95.3. Utah cities included in the third quarter survey were Cedar City (88.7), Salt Lake City (102.7), and St. George (91.6). Now measured as having a cost-of-living greater than the national average, Salt Lake City was the only monitored city in Utah whose composite index increased over 2002. Most western cities were near or slightly above the national composite index of 100.

2004 Outlook

The national Consumer Price Index for Urban Consumers (CPI-U) in 2004 is forecast to increase by 1.4%, lower than the 2.3% inflation rate in 2003. This is due to increased control of potential geopolitical risks and expected lower oil prices.

Significant Issues

Labor market. Utah witnessed a decrease in the unemployment rate in 2003; however, the effects of high unemployment in 2002 were witnessed in average wages that failed to keep pace with the U.S. In 2003, the average annual pay in Utah was 19.6% lower than the U.S., compared to disparities of 18.5% in 2002 and 18.2% in 2001. Unemployment is expected to remain stable during 2004. Of chief concern is how decreased wage and price pressures will translate into inflation.

Housing. Interest rates on 30-year and 15-year fixed-rate mortgages in 2003 were the lowest in three decades of record keeping. Although the rise in mortgage rates in the third quarter of 2003 slowed refinancing activity a bit, the record low rates have sustained the trend from 2002 of increased housing construction and home sales. As rates continue to increase, overbuilding is a concern that may negatively impact Utah's housing market.

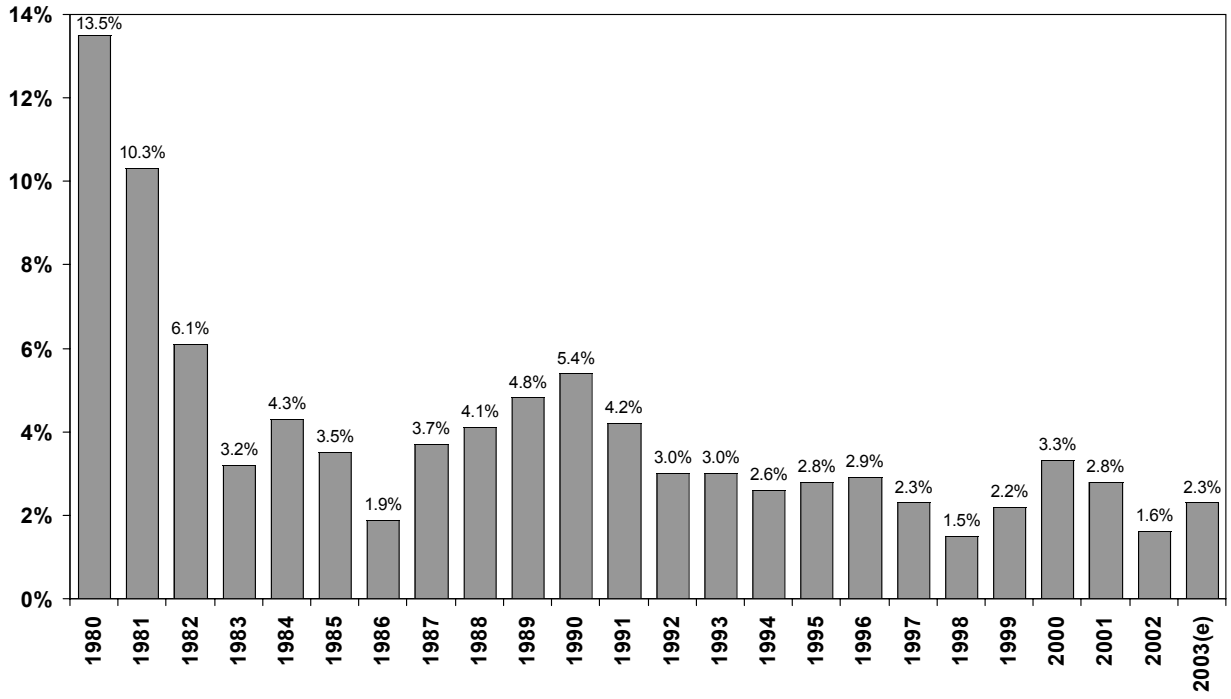
Federal Reserve. In an attempt to stimulate consumer spending and investment activities, the federal funds rate was cut to 1.0% in 2003, its lowest point in over four decades. Although the economy saw indications of recovery, the Federal Reserve stated that they are unlikely to move short-term rates back up without seeing significant improvement.

Conclusion

A gradual economic recovery is expected in 2004. Unemployment is expected to remain stable, perhaps inching its way down throughout the year. Global competition is expected to keep inflation relatively low throughout much of 2004.

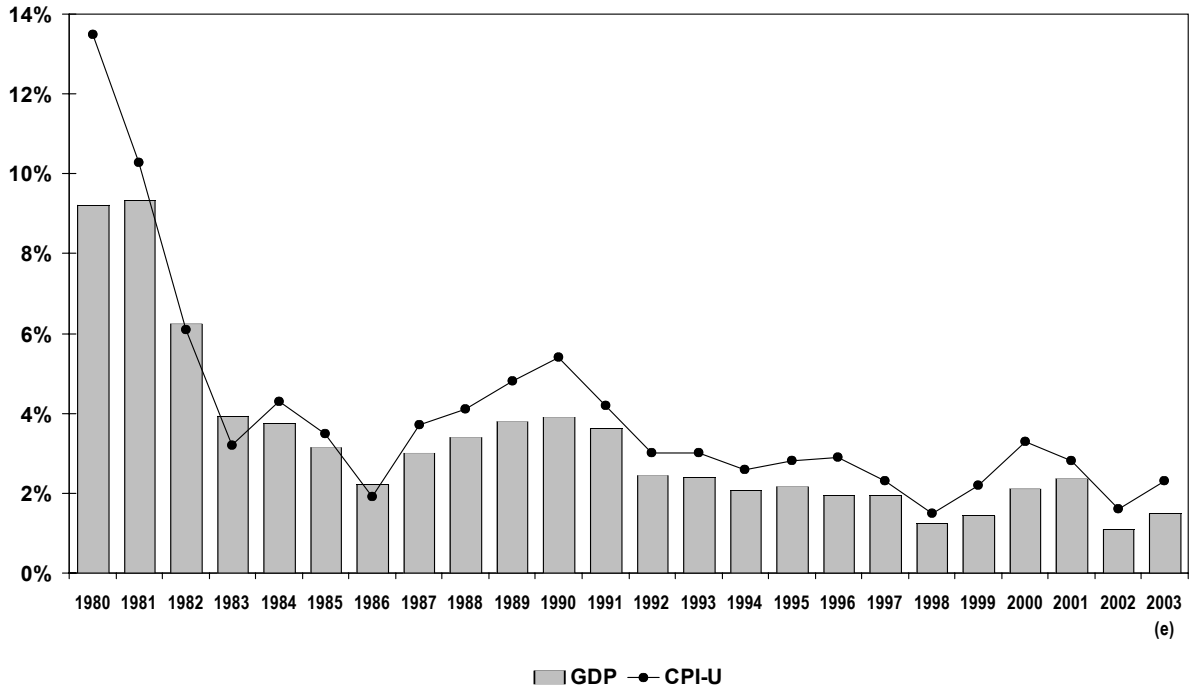
[1] The cost of living data for Provo-Orem and Logan are for second quarter 2003; third quarter 2003 data for these areas were not published.

Figure 43
U.S. Consumer Price Index (CPI-U): Average Annual Percent Change



Source: U.S. Bureau of Labor Statistics

Figure 44
CPI-U and GDP Deflator Inflation



Sources: Bureau of Economic Analysis, Bureau of Labor Statistics, Council of Economic Advisors

Table 46
U.S. Consumer Price Index for All Urban Consumers (1982-1984=100): (Not Seasonally Adjusted)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual Avg. Index	Dec-Dec	Annual Avg. Percent Change
1959	29	28.9	28.9	29	29	29.1	29.2	29.2	29.3	29.4	29.4	29.4	29.2		
1960	29.3	29.4	29.4	29.5	29.5	29.6	29.6	29.6	29.6	29.8	29.8	29.8	29.6	1.4%	1.5%
1961	29.8	29.8	29.8	29.8	29.8	29.8	30.0	29.9	30.0	30.0	30.0	30.0	29.9	0.7	1.1
1962	30.0	30.1	30.1	30.2	30.2	30.2	30.3	30.3	30.4	30.4	30.4	30.4	30.3	1.3	1.2
1963	30.4	30.4	30.5	30.5	30.5	30.6	30.7	30.7	30.7	30.8	30.8	30.9	30.6	1.6	1.2
1964	30.9	30.9	30.9	30.9	30.9	31.0	31.1	31.0	31.1	31.1	31.2	31.2	31.0	1.0	1.3
1965	31.2	31.2	31.3	31.4	31.4	31.6	31.6	31.6	31.6	31.7	31.7	31.8	31.5	1.9	1.6
1966	31.8	32.0	32.1	32.3	32.3	32.4	32.5	32.7	32.7	32.9	32.9	32.9	32.5	3.5	3.0
1967	32.9	32.9	33.0	33.1	33.2	33.3	33.4	33.5	33.6	33.7	33.8	33.9	33.4	3.0	2.8
1968	34.1	34.2	34.3	34.4	34.5	34.7	34.9	35.0	35.1	35.3	35.4	35.5	34.8	4.7	4.3
1969	35.6	35.8	36.1	36.3	36.4	36.6	36.8	37.0	37.1	37.3	37.5	37.7	36.7	6.2	5.5
1970	37.8	38.0	38.2	38.5	38.6	38.8	39.0	39.0	39.2	39.4	39.6	39.8	38.8	5.6	5.8
1971	39.8	39.9	40.0	40.1	40.3	40.6	40.7	40.8	40.8	40.9	40.9	41.1	40.5	3.3	4.3
1972	41.1	41.3	41.4	41.5	41.6	41.7	41.9	42.0	42.1	42.3	42.4	42.5	41.8	3.4	3.3
1973	42.6	42.9	43.3	43.6	43.9	44.2	44.3	45.1	45.2	45.6	45.9	46.2	44.4	8.7	6.2
1974	46.6	47.2	47.8	48.0	48.6	49.0	49.4	50.0	50.6	51.1	51.5	51.9	49.3	12.3	11.1
1975	52.1	52.5	52.7	52.9	53.2	53.6	54.2	54.3	54.6	54.9	55.3	55.5	53.8	6.9	9.1
1976	55.6	55.8	55.9	56.1	56.5	56.8	57.1	57.4	57.6	57.9	58.0	58.2	56.9	4.9	5.7
1977	58.5	59.1	59.5	60.0	60.3	60.7	61.0	61.2	61.4	61.6	61.9	62.1	60.6	6.7	6.5
1978	62.5	62.9	63.4	63.9	64.5	65.2	65.7	66.0	66.5	67.1	67.4	67.7	65.2	9.0	7.6
1979	68.3	69.1	69.8	70.6	71.5	72.3	73.1	73.8	74.6	75.2	75.9	76.7	72.6	13.3	11.3
1980	77.8	78.9	80.1	81.0	81.8	82.7	82.7	83.3	84.0	84.8	85.5	86.3	82.4	12.5	13.5
1981	87.0	87.9	88.5	89.1	89.8	90.6	91.6	92.3	93.2	93.4	93.7	94.0	90.9	8.9	10.3
1982	94.3	94.6	94.5	94.9	95.8	97.0	97.5	97.7	97.9	98.2	98.0	97.6	96.5	3.8	6.1
1983	97.8	97.9	97.9	98.6	99.2	99.5	99.9	100.2	100.7	101.0	101.2	101.3	99.6	3.8	3.2
1984	101.9	102.4	102.6	103.1	103.4	103.7	104.1	104.5	105.0	105.3	105.3	105.3	103.9	3.9	4.3
1985	105.5	106.0	106.4	106.9	107.3	107.6	107.8	108.0	108.3	108.7	109.0	109.3	107.6	3.8	3.5
1986	109.6	109.3	108.8	108.6	108.9	109.5	109.5	109.7	110.2	110.3	110.4	110.5	109.6	1.1	1.9
1987	111.2	111.6	112.1	112.7	113.1	113.5	113.8	114.4	115.0	115.3	115.4	115.4	113.6	4.4	3.7
1988	115.7	116.0	116.5	117.1	117.5	118.0	118.5	119.0	119.8	120.2	120.3	120.5	118.3	4.4	4.1
1989	121.1	121.6	122.3	123.1	123.8	124.1	124.4	124.6	125.0	125.6	125.9	126.1	124.0	4.6	4.8
1990	127.4	128.0	128.7	128.9	129.2	129.9	130.4	131.6	132.7	133.5	133.8	133.8	130.7	6.1	5.4
1991	134.6	134.8	135.0	135.2	135.6	136.0	136.2	136.6	137.2	137.4	137.8	137.9	136.2	3.1	4.2
1992	138.1	138.6	139.3	139.5	139.7	140.2	140.5	140.9	141.3	141.8	142.0	141.9	140.3	2.9	3.0
1993	142.6	143.1	143.6	144.0	144.2	144.4	144.4	144.8	145.1	145.7	145.8	145.8	144.5	2.7	3.0
1994	146.2	146.7	147.2	147.4	147.5	148.0	148.4	149.0	149.4	149.5	149.7	149.7	148.2	2.7	2.6
1995	150.3	150.9	151.4	151.9	152.2	152.5	152.5	152.9	153.2	153.7	153.6	153.5	152.4	2.5	2.8
1996	154.4	154.9	155.7	156.3	156.6	156.7	157.0	157.3	157.8	158.3	158.6	158.6	156.9	3.3	2.9
1997	159.1	159.6	160.0	160.2	160.1	160.3	160.5	160.8	161.2	161.6	161.5	161.3	160.5	1.7	2.3
1998	161.6	161.9	162.2	162.5	162.8	163.0	163.2	163.4	163.6	164.0	164.0	163.9	163.0	1.6	1.6
1999	164.3	164.5	165.0	166.2	166.2	166.2	166.7	167.1	167.9	168.2	168.3	168.3	166.6	2.7	2.2
2000	168.8	169.8	171.2	171.3	171.5	172.4	172.8	172.8	173.7	174.0	174.1	174.0	172.2	3.4	3.4
2001	175.1	175.8	176.2	176.9	177.7	178.0	177.5	177.5	178.3	177.7	177.4	176.7	177.1	1.6	2.8
2002	177.1	177.8	178.8	179.8	179.8	179.9	180.1	180.7	181.0	181.3	181.3	180.9	179.9	2.4	1.6
2003	181.7	183.1	184.2	183.8	183.5	183.7	183.9	184.6	185.2	185.0	185.1 (e)	184.7 (e)	184.0 (e)	2.1 (e)	2.3 (e)

e = estimate

Sources: U.S. Bureau of Labor Statistics and the Governor's Office of Planning and Budget

Table 47
Gross Domestic Product Price Deflators: 1996=100

Year	Gross Domestic Product (Chain-Type) Deflator	Change from Previous Year	Personal Consumption Expenditures (Chain-Type) Deflator	Change from Previous Year
1970	29.1	5.3%	28.0	4.7%
1971	30.5	5.1	29.2	4.3
1972	31.8	4.2	30.2	3.5
1973	33.6	5.6	31.9	5.4
1974	36.6	8.9	35.1	10.3
1975	40.0	9.4	38.0	8.2
1976	42.3	5.6	40.1	5.4
1977	45.0	6.5	42.7	6.6
1978	48.2	7.1	45.8	7.1
1979	52.2	8.3	49.8	8.8
1980	57.1	9.2	55.2	10.8
1981	62.4	9.3	60.1	8.8
1982	66.3	6.2	63.5	5.7
1983	68.9	3.9	66.2	4.3
1984	71.4	3.7	68.6	3.7
1985	73.7	3.1	71.0	3.4
1986	75.3	2.2	72.7	2.4
1987	77.6	3.0	75.5	3.8
1988	80.2	3.4	78.4	3.9
1989	83.3	3.8	81.9	4.4
1990	86.5	3.9	85.6	4.6
1991	89.7	3.6	88.9	3.8
1992	91.9	2.4	91.6	3.0
1993	94.1	2.4	93.8	2.4
1994	96.0	2.1	95.7	2.0
1995	98.1	2.2	97.9	2.3
1996	100.0	1.9	100.0	2.1
1997	102.0	2.0	101.9	1.9
1998	103.2	1.2	103.0	1.1
1999	104.7	1.4	104.7	1.7
2000	106.9	2.1	107.4	2.5
2001	109.4	2.4	109.6	2.0
2002	110.7	1.2	111.1	1.4
2003 (e)	112.4	1.5	113.2	1.9

e=estimate

Sources: U.S. Department of Commerce, Bureau of Economic Analysis and estimates by Governor's Office of Planning and Budget and Global Insight

Table 48
American Chamber of Commerce Researchers Association (ACCRA)
Cost of Living Comparisons for Selected Metropolitan Areas: Third Quarter 2003

Component Index Weights:	100% Composite Index	14% Grocery Items	29% Housing	10% Utilities	10% Trans-portation	4% Health Care	33% Misc. Goods & Services
U.S. Average	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Utah Areas							
Salt Lake City	102.7	98.6	102.6	92.5	105.0	95.4	107.7
Cedar City (Nonmetro)	88.7	101.5	67.6	81.6	102.1	87.3	100.1
Logan*	93.0	96.7	77.3	88.0	109.1	106.1	100.3
Provo-Orem*	95.3	95.0	85.1	87.3	101.3	97.4	104.7
St. George	91.6	99.8	74.7	84.7	103.1	90.7	101.8
Western Areas							
Phoenix AZ	97.2	102.0	86.1	91.1	107.1	111.4	102.0
L.A.-Long Beach CA	147.4	119.1	223.3	141.0	117.0	111.6	108.3
San Francisco CA	181.0	130.3	324.2	111.2	128.4	148.5	117.6
Denver CO	105.2	113.0	109.0	94.9	103.3	118.8	100.6
Boise ID	95.8	86.5	92.1	96.7	102.7	107.5	99.2
Las Vegas NV	105.6	110.0	97.8	100.7	109.3	132.2	107.8
Albuquerque NM	106.3	101.3	111.6	113.2	105.2	109.5	101.6
Portland OR	111.9	110.0	113.3	102.8	112.4	132.0	111.7
Cheyenne WY	104.0	112.6	103.4	117.4	93.6	100.3	100.6
Seattle WA*	119.5	114.7	128.0	111.7	121.2	140.9	113.5
Other Areas							
Atlanta GA	96.9	98.9	92.3	91.1	101.7	103.7	99.7
Honolulu HI	154.4	151.7	220.0	146.9	129.3	122.4	111.7
Boston MA	135.0	119.7	175.7	154.1	110.6	107.8	110.5
Minneapolis MN	110.2	99.7	119.3	112.5	111.7	126.9	103.6
St. Louis MO-IL	103.8	116.6	100.6	92.4	101.4	98.9	106.0
New York (Manhattan) NY	219.1	137.7	416.6	152.1	123.6	174.5	134.9
Philadelphia PA	120.4	114.8	128.5	127.0	104.0	122.9	118.2
Dallas TX	96.0	97.0	90.1	89.4	101.0	103.8	100.4

Notes: For data on additional cities, visit the ACCRA website at www.coli.org.
* These data are for second quarter 2002; third quarter 2002 data were not published.

Source: American Chamber of Commerce Researchers Association (ACCRA), P.O. Box 407, Arlington VA 22210-0407.

Regional / National Comparisons

Overview

Utah and the mountain region have continued to struggle in 2003 with the fallout from the recession of 2001 and the continued downsizing of sectors in Utah after the 2002 Olympic Winter Games. Wages and income have also suffered. Areas in the western United States have shown strikingly different trends during the last five years, with Nevada as the driver of regional growth. Wyoming has also shown resilience, probably due to the oil and natural gas industries that dominate the state's economy. Population growth has exceeded the national average for almost all western states, including Utah, but seems to be slowing in the mountain states, excluding Arizona and Nevada.

Population Growth

From 2001 to 2002, population grew by 1.1% nationally. The mountain states saw growth a percentage point higher, at 2.1%. Much of that growth was in Nevada and Arizona, with growth rates of 3.6% and 2.8% respectively. Utah's population grew by 1.6%, placing it among Colorado, Idaho, New Mexico and Wyoming regionally. Montana had the slowest growth rate in the region at 0.4%. This annual growth in population ranks Arizona, Colorado, Idaho and Utah in the top ten of all states, with Nevada leading the nation.

Personal Income Growth

Total personal income in the mountain region grew 6.2% per year during the 1997 to 2002 period, faster than the national average of 5.1%. Utah's growth over the five-year period was also 5.1%, placing the state regionally with New Mexico and Montana. Nevada led the region and the nation with an average annual growth rate of 6.8%. Five states in the region, Arizona, Colorado, Idaho and Wyoming ranked in the top ten nationally.

Despite the rapid growth during the 1997 to 2002 period, the states of the mountain region are still some of the smallest in the United States in terms of personal income. As personal income is a measurement of the size of the economic base, only Colorado and Arizona have economies larger than the median of the 50 states. Utah has the 35th largest economy, placing it between Arkansas and Nebraska in relative size. Wyoming has the smallest economy in the nation at 51st place, behind Washington D.C.

The mountain region produced $529.5 billion in personal income in 2002, or 6.0% of the nation's total of $8.9 trillion. This is slightly higher than the 5.9% in 2001. Utah accounted for 10.6% of the mountain region's income, the same as in 2001. Utah's per capita personal income in 2002 was $24,157, ranking 47th in the nation (including Washington D.C.). Utah's per capita income growth rate from 1997 to 2002 was 3.2%, ranking the state 48th in terms of growth. Per capita personal income in the mountain states was $27,250 in 2002, about 89.4% of the national average. Utah is well below the mountain states average, at 78.4% of the national average. This percentage has declined since 1997, when Utah's per capita personal income was 81.1% of the national average. Colorado has the highest per capita income among the mountain states. In 2002, Wyoming and Colorado exceeded the national average while Nevada was at 99.0%.

Median Household Income

Utah is anomalous when comparing personal income and median household income. While Utah has a very low per capita personal income, the state's median household income is ranked 12th in nation. This is largely explained by Utah having the largest household size in the nation. The per capita figures are diluted by a larger number of children. Therefore, the median household figures provide a more accurate measure of family income. Utah's $48,537 median household income is 113% of the national average of $43,052. Colorado is the only mountain state with a higher household income at $49,617. Some of the lowest household incomes are found in the mountain states, with Montana ranking 47th and New Mexico ranking 46th. These figures are three-year averages from 1999-2001. Because of sampling variability, the Census Bureau recommends using three-year averages for ranking purposes. Also, Census is no longer providing single year estimates for the latest year, so Utah Foundation estimated the 2002 single year data.

Average Annual Pay

Another measure of income is the average annual pay of workers covered by unemployment insurance. Among the mountain states, all but Colorado are below the national average. Utah's average annual pay of $30,580 per worker in 2002 is 83% of the national average; the mountain region as a whole averages $30,529, or 85% of the national average of $36,214. In 2002, wages in five states of the region are a lower percentage of the national average than in 1997. Only Arizona, Colorado and Wyoming have wages that are a higher percentage of the national average than they were in 1997. Utah ranked 36th among the 50 U.S. states for wages. Regionally, Utah was in the middle of the mountain states. Arizona, Colorado and Nevada all ranked higher while Idaho, Montana, New Mexico, and Wyoming ranked lower. Those four states, collectively, have some of the lowest wage rates in the nation, with Montana ranking 51st.

Nonagricultural Payrolls

Only two mountain states, New Mexico and Wyoming, showed positive employment growth in 2002, while Arizona had no growth. The other five states, including Utah, saw contraction in the number of jobs, with Colorado experiencing the largest loss. Forty states saw contractions in their nonagricultural payroll employment during 2002. Colorado and Massachusetts saw the biggest decline, losing 1.9 and 2.4 percent of their jobs respectively. During the five-year period of 1997-2002, the national growth rate was 1.2%. Six of the mountain states ranked within the top ten fastest growing. Utah's five-year growth rate was 1.5%, ranking it 17th nationally and last in the region, behind New Mexico.

Data from the Bureau of Labor Statistics for the period of October 2002 to October 2003 showed a nominal gain of 0.1% in Utah's employment. This is slower growth than any of the other mountain states with the exception of Colorado, which is still shedding jobs. Five mountain states; Arizona, Idaho, Nevada, New Mexico and Wyoming; are some of the fastest growing in the nation, with Nevada ranked number one. During this time period, Nevada increased its payrolls by 3.3%. Outside the mountain west region, Georgia, Hawaii, Florida and Alaska round out the top ten in employment growth while South Carolina and Michigan are at the bottom.

Unemployment in the mountain states during 2002 was, with the exception of Wyoming, at or above 5.4% while the national average was 5.8%. Utah had the second highest regional unemployment rate during 2002 at 6.1%. Arizona was slightly higher at 6.2%. Additionally, the rate of change for Utah from 1997 to 2002 was 3.0, the highest in the region and the second highest nationally. Only North Carolina had a greater increase in unemployment during this time. However, since 2002, it

appears unemployment in Utah is declining. During October 2002 the state's unemployment rate was 5.7%. By October 2003 it had declined to 4.4%. This rate of 4.4% is less than the national average of 5.6%, and within the region only Wyoming had a lower rate at 3.4%.

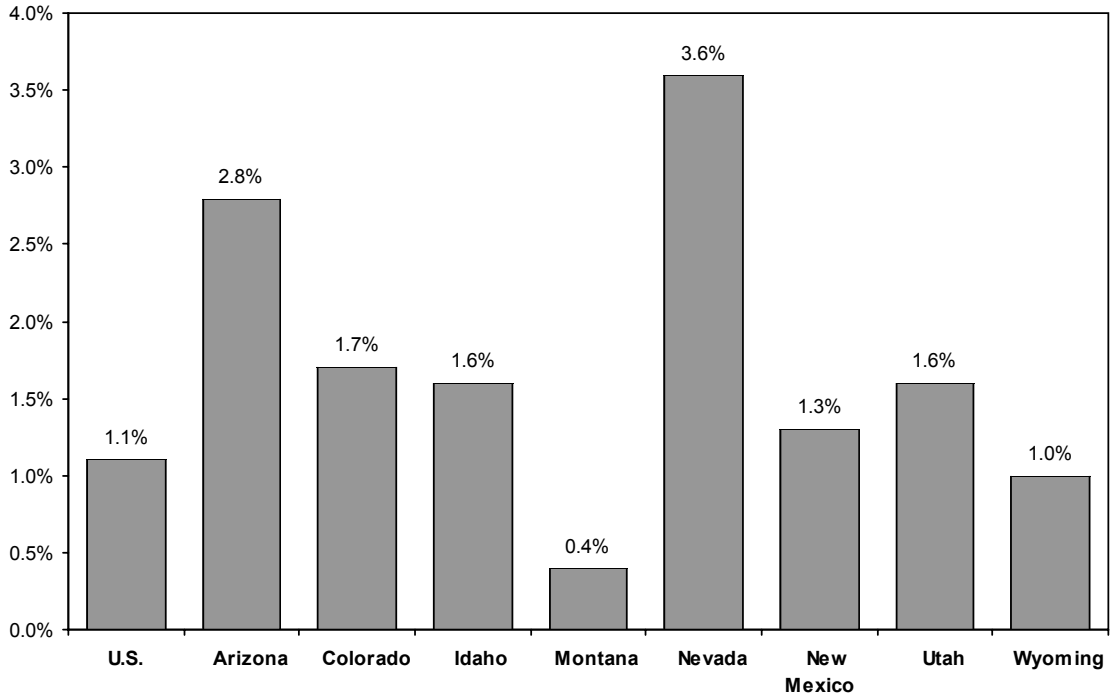
Poverty Rates

Similar to median household income, the Census Bureau's measure of poverty rates has considerable volatility, and the Bureau suggests using three-year averages for ranking purposes and two-year averages to evaluate movement over time. The mountain states have wide disparity in poverty rates. New Mexico had the second highest poverty rate in the nation, with 17.8% of its residents classified as living below the poverty line. Utah's poverty rate has been climbing over the two-year periods. From 1999-2000, the state's poverty rate was 9.1%, for the 2000-2001 period it climbed to 10.2%. Over the three-year period, Utah ranks 38th in the nation, with only Nevada having a lower poverty rate among the mountain states.

Conclusion

Since the end of the 2002 Olympic Winter Games, Utah has struggled to keep jobs in the state. While an addition of 1,000 jobs from October 2002 to October 2003 may seem small, at least there was a gain. Colorado, for example, is still losing jobs. The other indicators, such as average annual pay and poverty rates, reflect this loss of jobs. However, unemployment has been declining in the state since October 2002, and it is hoped that 2004 will bring stronger growth in jobs.

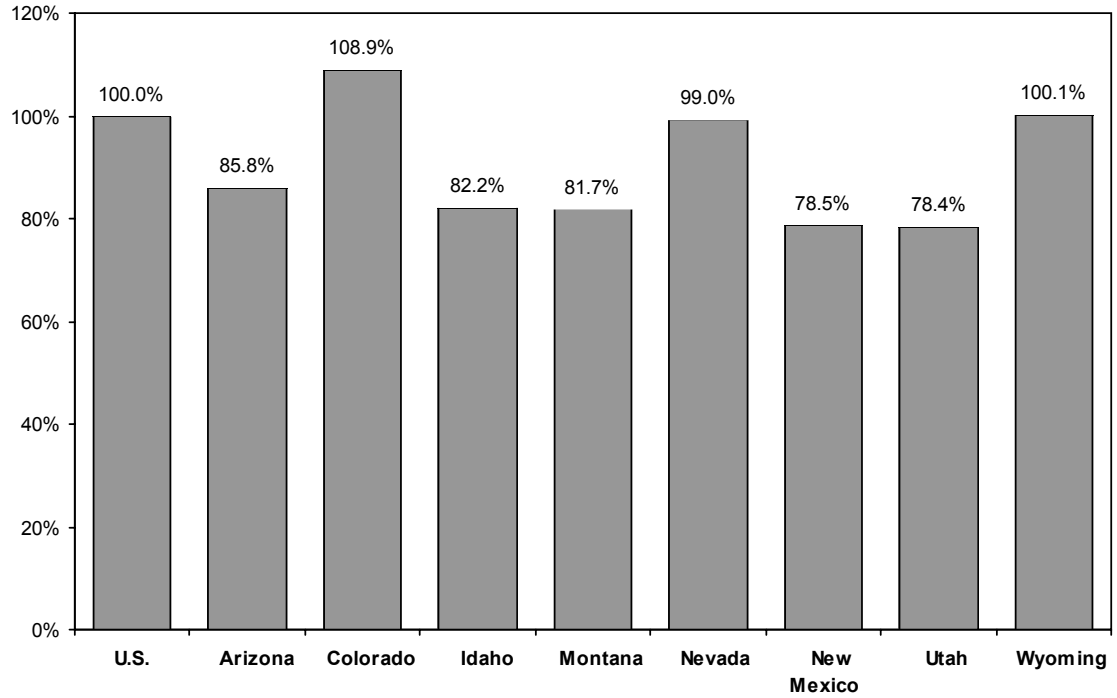
Figure 45
Population Growth Rates -- U.S. and Mountain Division States: 2001-2002



Note: Numbers in this chart may differ from other tables due to different data sources.

Source: U.S. Census Bureau

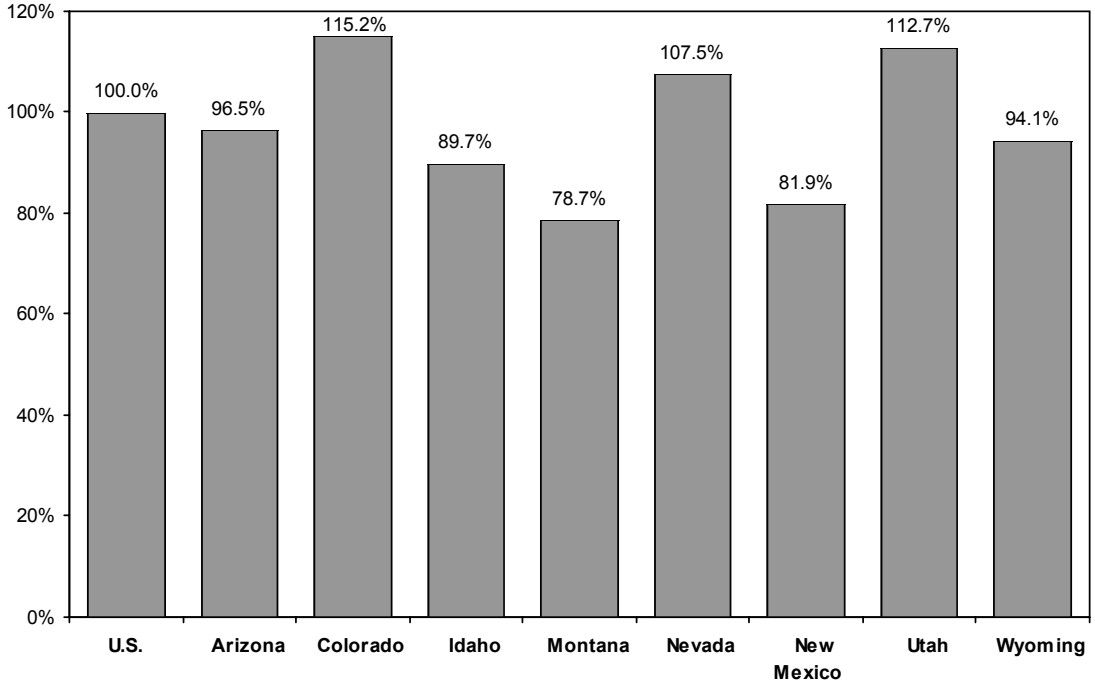
Figure 46
Per Capita Income as a Percent of U.S. -- Mountain Division States: 2002



Note: Numbers in this chart may differ from other tables due to different data sources.

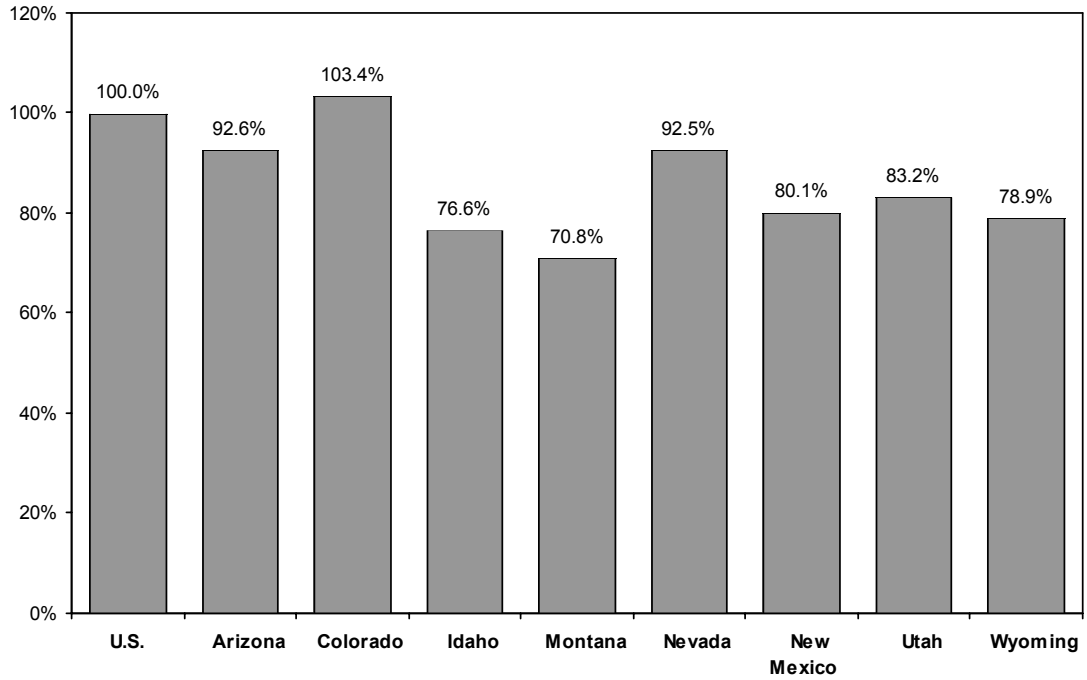
Source: U.S. Bureau of Economic Analysis

Figure 47
Median Household Income as a Percent of U.S. -- Mountain Division States: 2000-2002 Three-Year Average



Source: U.S. Census Bureau

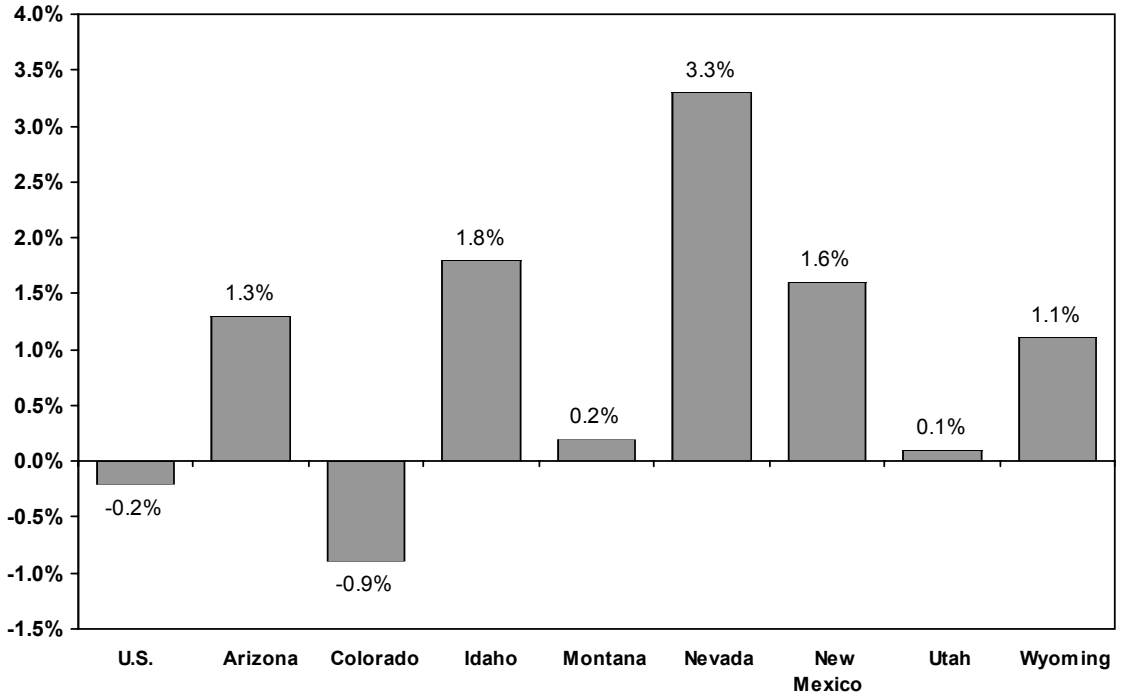
Figure 48
Average Annual Pay as a Percent of U.S. -- Mountain Division States: 2002*



* For workers covered by unemployment insurance.

Source: U.S. Bureau of Labor Statistics

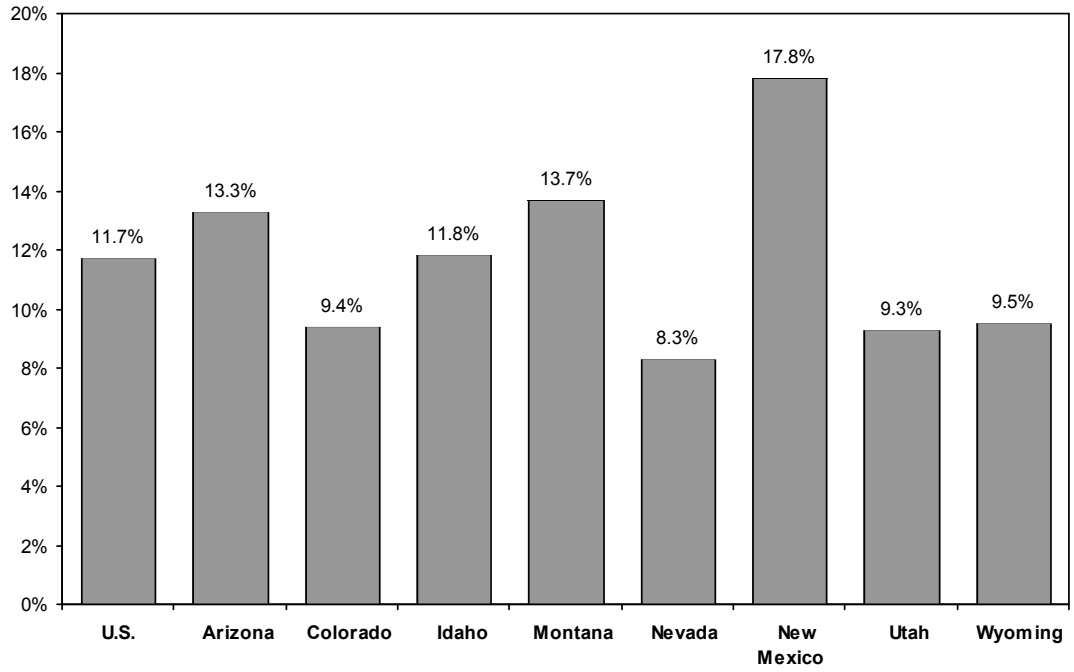
Figure 49
Nonagricultural Employment Growth -- U.S. and Mountain Division States: October 2003 over October 2002



Note: Numbers in this chart may differ from other tables due to different data sources.

Source: U.S. Bureau of Labor Statistics

Figure 50
Percent of Persons in Poverty: Three-Year Average 2000 to 2002



Source: U.S. Census Bureau

Table 49
Population and Households -- U.S., Mountain Division, and States

Division/State	Population (July 1 Estimates) 2001 (thousands)	Population (July 1 Estimates) 2002 (thousands)	Rates of Population Change Annual Growth Rate 2001-02	Households (July 1 Estimates) 2000 (thousands)	Households (July 1 Estimates) Persons per Household	Rankings Rank by Population 2001	Rankings Rank by Population 2002	Rankings Rank by Annual Growth Rate 2001-02	Rankings Rank by Persons per Household 2000
United States	285,318	288,369	1.1%	106,429	2.60	(x)	(x)	(x)	(x)
Mountain States	18,665	19,057	2.1%	6,911	2.65				
Arizona	5,307	5,456	2.8%	1,940	2.68	20	19	2	8
Colorado	4,431	4,507	1.7%	1,754	2.46	24	22	6	43
Idaho	1,321	1,341	1.6%	486	2.65	39	39	9	10
Montana	905	909	0.4%	356	2.47	44	44	38	40
Nevada	2,098	2,173	3.6%	784	2.64	35	35	1	11
New Mexico	1,831	1,855	1.3%	665	2.69	36	36	17	6
Utah	2,279	2,316	1.6%	731	3.05	34	34	7	1
Wyoming	494	499	1.0%	194	2.48	51	51	21	39
Other States									
Alabama	4,469	4,487	0.4%	1,740	2.50	23	23	42	30
Alaska	634	644	1.6%	220	2.80	48	47	8	4
Arkansas	2,695	2,710	0.6%	1,046	2.50	33	33	34	30
California	34,600	35,116	1.5%	11,552	2.92	1	1	10	2
Connecticut	3,435	3,461	0.8%	1,292	2.57	29	29	26	18
Delaware	797	807	1.4%	297	2.60	45	45	14	15
D.C.	574	571	-0.5%	243	2.21	50	50	51	51
Florida	16,373	16,713	2.1%	6,432	2.49	4	4	3	32
Georgia	8,406	8,560	1.8%	3,047	2.67	10	10	5	9
Hawaii	1,227	1,245	1.5%	412	2.89	42	42	11	3
Illinois	12,520	12,601	0.6%	4,600	2.64	5	5	30	11
Indiana	6,127	6,159	0.5%	2,339	2.54	14	14	36	21
Iowa	2,932	2,937	0.2%	1,144	2.47	30	30	48	40
Kansas	2,702	2,716	0.5%	1,040	2.51	32	32	37	26
Kentucky	4,069	4,093	0.6%	1,584	2.49	25	26	32	32
Louisiana	4,470	4,483	0.3%	1,667	2.60	22	24	46	15
Maine	1,284	1,294	0.8%	529	2.37	40	40	25	50
Maryland	5,386	5,458	1.3%	2,014	2.60	19	18	16	15
Massachusetts	6,401	6,428	0.4%	2,453	2.51	13	13	41	26
Michigan	10,006	10,050	0.4%	3,833	2.54	8	8	39	21
Minnesota	4,985	5,020	0.7%	1,979	2.44	21	21	27	46
Mississippi	2,860	2,872	0.4%	1,048	2.64	31	31	40	11
Missouri	5,637	5,673	0.6%	2,248	2.43	17	17	31	48
Nebraska	1,720	1,729	0.5%	667	2.49	38	38	35	32
New Hampshire	1,259	1,275	1.2%	483	2.53	41	41	19	24
New Jersey	8,511	8,590	0.9%	3,081	2.69	9	9	23	6
New York	19,084	19,158	0.4%	7,058	2.61	3	3	43	14
North Carolina	8,206	8,320	1.4%	3,192	2.49	11	11	12	32
North Dakota	637	634	-0.4%	249	2.45	47	48	50	44
Ohio	11,390	11,421	0.3%	4,453	2.49	7	7	45	32
Oklahoma	3,470	3,494	0.7%	1,317	2.54	28	28	28	21
Oregon	3,473	3,522	1.4%	1,394	2.44	27	27	13	46
Pennsylvania	12,303	12,335	0.3%	4,755	2.49	6	6	47	32
Rhode Island	1,060	1,070	0.9%	406	2.51	43	43	22	26
South Carolina	4,062	4,107	1.1%	1,539	2.55	26	25	20	19
South Dakota	758	761	0.4%	290	2.51	46	46	44	26
Tennessee	5,749	5,797	0.8%	2,268	2.47	16	16	24	40
Texas	21,371	21,780	1.9%	7,487	2.77	2	2	4	5
Vermont	613	617	0.6%	245	2.42	49	49	33	49
Virginia	7,197	7,294	1.3%	2,730	2.55	12	12	15	19
Washington	5,993	6,069	1.3%	2,323	2.52	15	15	18	25
West Virginia	1,801	1,802	0.0%	718	2.45	37	37	49	44
Wisconsin	5,406	5,441	0.7%	2,105	2.49	18	20	29	32

Source: U.S. Census Bureau

Table 50
Total Personal Income -- U.S., Mountain Division, and States

Division/State	Total Personal Income 1997 (millions)	Total Personal Income 2001 (millions)	Total Personal Income 2002 (millions)	Rates of Total Personal Income Change Avg. Ann. Growth Rate 1997-2002	Rates of Total Personal Income Change Percent Change 2001-2002	Total Personal Income (saar) 2nd Quarter 2002 (millions)	Total Personal Income (saar) 2nd Quarter 2003 (millions)	Total Personal Income (saar) Percent Change 2002-03	Rankings Rank by Total Personal Income 2002	Rankings Rank by Avg. Ann. Growth Rate 1997-2002	Rankings Rank by Percent Change 2001-02	Rankings Rank by Percent Change (saar) 2002-03
United States	$6,928,545	$8,677,490	$8,891,093	5.1%	2.5%	$8,881,691	$9,129,313	2.8%	(x)	(x)	(x)	(x)
Mountain States	392,666	514,535	529,525	6.2%	2.9%	527,432	546,020	3.5%				
Arizona	103,702	137,331	142,725	6.6%	3.9%	142,215	147,364	3.6%	4	5	30	23
Colorado	108,765	148,239	149,481	6.6%	0.8%	149,421	152,390	2.0%	24	2	9	21
Idaho	25,226	32,363	33,585	5.9%	3.8%	33,221	34,922	5.1%	22	3	51	47
Montana	17,726	21,769	22,650	5.0%	4.0%	22,490	23,499	4.5%	43	8	12	5
Nevada	47,258	63,200	65,571	6.8%	3.8%	65,121	68,751	5.6%	47	24	7	9
New Mexico	34,860	42,260	44,352	4.9%	4.9%	44,098	46,056	4.4%	33	1	14	4
Utah	43,696	54,764	55,953	5.1%	2.2%	55,771	57,241	2.6%	38	27	3	10
Wyoming	11,433	14,609	15,208	5.9%	4.1%	15,095	15,797	4.7%	36	23	41	39
Other States												
Alabama	91,284	109,388	112,592	4.3%	2.9%	112,093	116,736	4.1%	26	44	29	14
Alaska	16,488	19,660	20,467	4.4%	4.1%	20,273	21,120	4.2%	48	42	5	12
Arkansas	51,055	61,304	63,463	4.4%	3.5%	63,291	65,674	3.8%	35	41	18	18
California	861,557	1,129,868	1,155,247	6.0%	2.2%	1,152,672	1,184,478	2.8%	1	6	40	36
Connecticut	116,421	145,548	148,211	4.9%	1.8%	148,249	151,432	2.1%	23	26	44	46
Delaware	20,145	25,624	26,084	5.3%	1.8%	26,090	27,146	4.0%	45	20	45	17
D.C.	19,135	23,262	24,760	5.3%	6.4%	24,677	25,271	2.4%	46	21	1	45
Florida	377,673	475,607	494,027	5.5%	3.9%	493,048	511,032	3.6%	5	17	10	20
Georgia	183,757	239,754	245,707	6.0%	2.5%	245,628	255,829	4.2%	12	7	35	13
Hawaii	31,218	35,625	37,397	3.7%	5.0%	37,244	39,111	5.0%	41	52	2	6
Illinois	340,594	413,044	419,858	4.3%	1.6%	420,863	425,211	1.0%	6	45	47	51
Indiana	139,459	168,622	173,889	4.5%	3.1%	173,169	178,136	2.9%	17	38	26	35
Iowa	67,938	79,822	82,642	4.0%	3.5%	82,375	85,778	4.1%	31	48	17	15
Kansas	63,728	76,828	78,322	4.2%	1.9%	77,967	80,589	3.4%	32	47	43	25
Kentucky	82,927	101,223	105,013	4.8%	3.7%	104,583	107,929	3.2%	27	28	16	30
Louisiana	92,286	109,317	113,725	4.3%	4.0%	113,505	116,821	2.9%	25	46	8	33
Maine	27,773	34,491	35,991	5.3%	4.3%	35,858	37,358	4.2%	42	19	4	11
Maryland	148,826	190,015	197,156	5.8%	3.8%	196,862	201,941	2.6%	16	10	13	41
Massachusetts	191,596	248,778	250,966	5.5%	0.9%	252,257	253,436	0.5%	11	16	49	52
Michigan	250,216	296,480	303,745	4.0%	2.5%	304,930	309,740	1.6%	10	49	36	48
Minnesota	129,020	164,784	170,142	5.7%	3.3%	169,755	174,027	2.5%	18	15	24	43
Mississippi	51,598	61,922	64,242	4.5%	3.7%	63,990	67,132	4.9%	34	40	15	7
Missouri	131,144	159,093	163,603	4.5%	2.8%	162,979	168,254	3.2%	19	35	32	28
Nebraska	40,724	49,642	51,086	4.6%	2.9%	50,774	54,011	6.4%	37	34	31	3
New Hampshire	32,397	42,779	43,703	6.2%	2.2%	43,865	44,519	1.5%	39	4	42	49
New Jersey	260,705	328,743	339,889	5.4%	3.4%	338,845	348,914	3.0%	8	18	22	32
New York	553,543	684,704	684,070	4.3%	-0.1%	686,279	694,226	1.2%	2	43	52	50
North Carolina	179,691	224,094	229,356	5.0%	2.3%	228,855	237,292	3.7%	14	25	39	19
North Dakota	13,332	16,422	16,846	4.8%	2.6%	16,608	18,016	8.5%	51	32	33	2
Ohio	279,367	326,876	334,832	3.7%	2.4%	334,343	342,762	2.5%	9	51	37	42
Oklahoma	69,951	86,550	87,818	4.7%	1.5%	87,622	89,907	2.6%	30	33	48	40
Oregon	80,575	98,026	100,481	4.5%	2.5%	100,211	102,903	2.7%	29	37	34	38
Pennsylvania	313,457	378,350	390,560	4.5%	3.2%	389,692	402,747	3.4%	7	39	25	26
Rhode Island	26,293	32,061	33,276	4.8%	3.8%	33,202	34,239	3.1%	44	30	11	31
South Carolina	81,045	100,902	104,302	5.2%	3.4%	104,156	107,759	3.5%	28	22	23	24
South Dakota	16,288	20,146	20,316	4.5%	0.8%	20,095	21,959	9.3%	49	36	50	1
Tennessee	125,457	154,130	158,717	4.8%	3.0%	158,810	163,441	2.9%	21	31	28	34
Texas	468,950	608,466	618,560	5.7%	1.7%	618,643	633,709	2.4%	3	14	46	44
Vermont	13,752	17,627	18,167	5.7%	3.1%	18,093	18,734	3.5%	50	12	27	22
Virginia	180,190	232,730	238,325	5.8%	2.4%	238,366	246,116	3.3%	13	11	38	27
Washington	150,203	191,645	198,221	5.7%	3.4%	198,138	206,184	4.1%	15	13	19	16
West Virginia	35,202	41,174	42,575	3.9%	3.4%	42,467	43,608	2.7%	40	50	21	37
Wisconsin	128,920	157,832	163,216	4.8%	3.4%	162,839	168,066	3.2%	20	29	20	29

saar = seasonally adjusted annual rate.

Source: U.S. Bureau of Economic Analysis

Table 51
Per Capita Personal Income -- U.S., Mountain Division, and States

Division/State	Per Capita Personal Income			Rates of Per Capita Personal Income Change		Per Capita Personal Income as a Percent of U.S. Per Capita Personal Income			Rankings		
	1997	2001	2002	Avg. Ann. Growth Rate 1997-2002	Annual Growth Rate 2001-02	1997	2001	2002	Rank by Per Capita Personal Income 2002	Rank by Average Annual Growth Rate 1997-2002	Rank by Average Annual Growth Rate 2001-2002
United States	$25,412	$30,413	$30,832	3.9%	1.4%	100.0%	100.0%	100.0%	(x)	(x)	(x)
Mountain States											
Arizona	21,892	25,878	26,157	3.6%	1.1%	86.1%	85.1%	84.8%	39	39	35
Colorado	27,067	33,455	33,170	4.2%	-0.9%	106.5%	110.0%	107.6%	10	17	51
Idaho	20,534	24,506	25,042	4.0%	2.2%	80.8%	80.6%	81.2%	45	23	27
Montana	19,920	24,044	24,906	4.6%	3.6%	78.4%	79.1%	80.8%	46	10	3
Nevada	26,789	30,128	30,169	2.4%	0.1%	105.4%	99.1%	97.8%	20	51	48
New Mexico	19,641	23,081	23,908	4.0%	3.6%	77.3%	75.9%	77.5%	48	24	4
Utah	20,613	24,033	24,157	3.2%	0.5%	81.1%	79.0%	78.4%	47	48	44
Wyoming	23,360	29,587	30,494	5.5%	3.1%	91.9%	97.3%	98.9%	18	1	11
Other States											
Alabama	20,899	24,477	25,096	3.7%	2.5%	82.2%	80.5%	81.4%	44	34	18
Alaska	26,898	31,027	31,792	3.4%	2.5%	105.8%	102.0%	103.1%	15	46	20
Arkansas	19,628	22,750	23,417	3.6%	2.9%	77.2%	74.8%	76.0%	50	40	14
California	26,521	32,655	32,898	4.4%	0.7%	104.4%	107.4%	106.7%	11	12	42
Connecticut	34,759	42,377	42,829	4.3%	1.1%	136.8%	139.3%	138.9%	2	16	36
Delaware	26,807	32,166	32,307	3.8%	0.4%	105.5%	105.8%	104.8%	14	31	47
D.C.	33,704	40,539	43,371	5.2%	7.0%	132.6%	133.3%	140.7%	1	3	1
Florida	24,869	29,048	29,559	3.5%	1.8%	97.9%	95.5%	95.9%	23	43	32
Georgia	23,911	28,523	28,703	3.7%	0.6%	94.1%	93.8%	93.1%	29	35	43
Hawaii	25,765	29,034	30,040	3.1%	3.5%	101.4%	95.5%	97.4%	21	50	6
Illinois	27,950	32,990	33,320	3.6%	1.0%	110.0%	108.5%	108.1%	9	42	38
Indiana	23,418	27,522	28,233	3.8%	2.6%	92.2%	90.5%	91.6%	32	29	17
Iowa	23,499	27,225	28,141	3.7%	3.4%	92.5%	89.5%	91.3%	33	37	7
Kansas	24,182	28,432	28,838	3.6%	1.4%	95.2%	93.5%	93.5%	28	41	33
Kentucky	20,979	24,878	25,657	4.1%	3.1%	82.6%	81.8%	83.2%	40	20	10
Louisiana	20,874	24,454	25,370	4.0%	3.7%	82.1%	80.4%	82.3%	42	25	2
Maine	22,134	26,853	27,804	4.7%	3.5%	87.1%	88.3%	90.2%	34	7	5
Maryland	28,857	35,279	36,121	4.6%	2.4%	113.6%	116.0%	117.2%	5	8	23
Massachusetts	30,773	38,864	39,044	4.9%	0.5%	121.1%	127.8%	126.6%	4	5	46
Michigan	25,509	29,629	30,222	3.4%	2.0%	100.4%	97.4%	98.0%	19	44	31
Minnesota	27,086	33,059	33,895	4.6%	2.5%	106.6%	108.7%	109.9%	8	9	19
Mississippi	18,580	21,653	22,370	3.8%	3.3%	73.1%	71.2%	72.6%	51	32	9
Missouri	23,926	28,221	28,841	3.8%	2.2%	94.2%	92.8%	93.5%	27	30	26
Nebraska	24,148	28,861	29,544	4.1%	2.4%	95.0%	94.9%	95.8%	24	19	24
New Hampshire	27,238	33,969	34,276	4.7%	0.9%	107.2%	111.7%	111.2%	7	6	40
New Jersey	31,720	38,625	39,567	4.5%	2.4%	124.8%	127.0%	128.3%	3	11	22
New York	29,670	35,878	35,708	3.8%	-0.5%	116.8%	118.0%	115.8%	6	33	50
North Carolina	23,468	27,308	27,566	3.3%	0.9%	92.4%	89.8%	89.4%	35	47	39
North Dakota	20,520	25,798	26,567	5.3%	3.0%	80.7%	84.8%	86.2%	38	2	12
Ohio	24,772	28,699	29,317	3.4%	2.2%	97.5%	94.4%	95.1%	26	45	28
Oklahoma	20,739	24,945	25,136	3.9%	0.8%	81.6%	82.0%	81.5%	43	27	41
Oregon	24,385	28,222	28,533	3.2%	1.1%	96.0%	92.8%	92.5%	30	49	34
Pennsylvania	25,635	30,752	31,663	4.3%	3.0%	100.9%	101.1%	102.7%	16	14	13
Rhode Island	25,643	30,256	31,107	3.9%	2.8%	100.9%	99.5%	100.9%	17	26	15
South Carolina	20,998	24,840	25,395	3.9%	2.2%	82.6%	81.7%	82.4%	41	28	25
South Dakota	21,885	26,566	26,694	4.1%	0.5%	86.1%	87.4%	86.6%	37	22	45
Tennessee	22,814	26,808	27,378	3.7%	2.1%	89.8%	88.1%	88.8%	36	36	30
Texas	23,756	28,472	28,401	3.6%	-0.2%	93.5%	93.6%	92.1%	31	38	49
Vermont	23,026	28,756	29,464	5.1%	2.5%	90.6%	94.6%	95.6%	25	4	21
Virginia	26,385	32,338	32,676	4.4%	1.0%	103.8%	106.3%	106.0%	12	13	37
Washington	26,469	31,976	32,661	4.3%	2.1%	104.2%	105.1%	105.9%	13	15	29
West Virginia	19,351	22,862	23,628	4.1%	3.4%	76.1%	75.2%	76.6%	49	21	8
Wisconsin	24,481	29,196	29,996	4.1%	2.7%	96.3%	96.0%	97.3%	22	18	16

Source: U.S. Bureau of Economic Analysis

Table 52
Median Income of Households -- U.S., Mountain Division, and States

	Median Income of Households (2002 Dollars)			Median Income of Households (2002 Dollars) Two-year Moving Average*					Median Income of Households Three-year Average*			
	1997	2001	2002**	2000-01	2001-02				2000-2002			
						Standard	Two-year Average			Standard	Amount	As a %
	Amount	Amount	Amount	Amount	Amount	Error	Difference	Pct. Chg.	Amount	Error	Rank	of the U.S.
United States	$41,346	$42,900	$42,409	$44,064	$42,654	183	-1,410	-3.2%	$43,052	156	na	100.0%
Mountain States												
Arizona	36,581	43,383	39,735	43,138	41,559	1,681	-1,579	-3.7%	41,554	1,458	31	96.5%
Colorado	48,305	50,183	48,293	51,079	49,238	1,810	-1,841	-3.6%	49,617	1,512	11	115.2%
Idaho	37,323	38,849	37,715	39,683	38,282	1,422	-1,401	-3.5%	38,613	1,274	36	89.7%
Montana	32,639	32,637	34,835	33,964	33,736	1,343	-228	-0.7%	33,900	1,138	47	78.7%
Nevada	43,413	46,125	44,959	47,701	45,542	1,560	-2,159	-4.5%	46,289	1,293	15	107.5%
New Mexico	33,615	33,651	35,457	35,707	34,554	1,570	-1,153	-3.2%	35,251	1,397	46	81.9%
Utah	47,793	48,095	47,861	49,652	47,978	1,887	-1,674	-3.4%	48,537	1,520	12	112.7%
Wyoming	37,345	40,351	39,763	41,517	40,057	1,463	-1,460	-3.5%	40,499	1,262	34	94.1%
Other States												
Alabama	35,686	35,719	37,603	36,933	36,661	1,408	-272	-0.7%	36,771	1,224	42	85.4%
Alaska	53,624	58,275	52,775	57,633	55,525	2,155	-2,108	-3.7%	55,412	1,739	2	128.7%
Arkansas	29,232	33,869	32,387	32,956	33,128	1,323	172	0.5%	32,423	1,082	50	75.3%
California	44,351	48,014	47,436	49,222	47,725	1,017	-1,497	-3.0%	48,113	852	13	111.8%
Connecticut	49,145	54,195	53,387	54,142	53,791	1,778	-351	-0.6%	53,325	1,544	5	123.9%
Delaware	48,082	50,391	49,649	52,311	50,020	2,148	-2,291	-4.4%	50,878	1,814	7	118.2%
D.C.	35,598	41,824	39,070	43,110	40,447	1,375	-2,663	-6.2%	41,313	1,209	32	96.0%
Florida	36,263	37,000	38,024	39,405	37,512	867	-1,893	-4.8%	38,533	764	37	89.5%
Georgia	40,964	43,253	42,939	44,196	43,096	1,485	-1,100	-2.5%	43,316	1,185	24	100.6%
Hawaii	45,736	48,193	47,303	51,821	47,748	1,789	-4,073	-7.9%	49,775	1,491	10	115.6%
Illinois	46,126	46,905	42,711	48,259	44,808	1,182	-3,451	-7.2%	45,906	1,057	16	106.6%
Indiana	43,451	41,021	41,047	42,513	41,034	1,161	-1,479	-3.5%	41,581	945	30	96.6%
Iowa	37,747	41,628	41,048	42,887	41,338	1,556	-1,549	-3.6%	41,827	1,224	29	97.2%
Kansas	40,750	42,074	42,618	43,151	42,346	1,474	-805	-1.9%	42,523	1,305	26	98.8%
Kentucky	37,376	39,048	36,762	39,071	37,905	1,285	-1,166	-3.0%	37,893	1,077	40	88.0%
Louisiana	37,162	33,852	34,008	33,489	33,930	1,671	441	1.3%	33,312	1,298	48	77.4%
Maine	36,617	37,194	36,854	38,660	37,024	1,227	-1,636	-4.2%	37,654	1,043	41	87.5%
Maryland	52,163	54,381	56,407	56,550	55,394	2,170	-1,156	-2.0%	55,912	1,804	1	129.9%
Massachusetts	46,953	53,084	49,856	51,763	51,470	1,830	-293	-0.6%	50,587	1,598	8	117.5%
Michigan	43,288	45,763	42,715	47,387	44,239	1,354	-3,148	-6.6%	45,335	1,192	17	105.3%
Minnesota	47,558	53,519	54,621	55,961	54,070	1,587	-1,891	-3.4%	54,931	1,582	3	127.6%
Mississippi	31,842	30,641	30,881	33,757	30,761	1,348	-2,996	-8.9%	32,447	1,329	49	75.4%
Missouri	40,841	41,996	42,776	45,253	42,386	1,554	-2,867	-6.3%	43,955	1,362	20	102.1%
Nebraska	38,762	44,305	42,795	44,650	43,550	1,468	-1,100	-2.5%	43,566	1,246	22	101.2%
New Hampshire	45,808	52,147	55,321	53,502	53,734	1,390	232	0.4%	53,549	1,251	4	124.4%
New Jersey	53,655	52,594	54,568	53,452	53,581	1,752	129	0.2%	53,266	1,376	6	123.7%
New York	39,998	42,784	41,966	43,345	42,375	804	-970	-2.2%	42,432	690	27	98.6%
North Carolina	40,045	38,769	36,515	40,017	37,642	1,143	-2,375	-5.9%	38,432	982	39	89.3%
North Dakota	35,376	36,362	36,200	37,564	36,281	1,109	-1,283	-3.4%	36,717	1,053	43	85.3%
Ohio	40,373	42,450	42,684	44,350	42,567	980	-1,783	-4.0%	43,332	843	23	100.7%
Oklahoma	35,029	36,175	36,459	35,578	36,317	889	739	2.1%	35,500	791	45	82.5%
Oregon	41,616	41,929	41,803	43,841	41,866	1,095	-1,975	-4.5%	42,704	989	25	99.2%
Pennsylvania	41,918	44,191	42,497	44,819	43,344	1,034	-1,475	-3.3%	43,577	867	21	101.2%
Rhode Island	38,880	46,450	42,418	45,977	44,434	1,385	-1,543	-3.4%	44,311	1,206	18	102.9%
South Carolina	38,281	38,336	37,812	39,401	38,074	1,532	-1,327	-3.4%	38,460	1,243	38	89.3%
South Dakota	33,177	40,302	37,872	39,819	39,087	1,232	-732	-1.8%	38,755	980	35	90.0%
Tennessee	34,230	36,352	37,030	36,551	36,691	1,302	140	0.4%	36,329	1,096	44	84.4%
Texas	39,191	41,510	40,148	41,565	40,829	732	-736	-1.8%	40,659	728	33	94.4%
Vermont	39,165	41,443	42,999	42,053	42,221	1,210	168	0.4%	41,929	1,060	28	97.4%
Virginia	47,996	51,040	49,632	50,942	50,336	1,661	-606	-1.2%	49,974	1,368	9	116.1%
Washington	49,790	43,166	45,182	44,482	44,174	1,527	-308	-0.7%	44,252	1,363	19	102.8%
West Virginia	30,713	30,145	29,359	30,913	29,752	935	-1,161	-3.8%	30,072	789	51	69.9%
Wisconsin	44,241	46,067	45,903	47,316	45,985	1,413	-1,331	-2.8%	46,351	1,193	14	107.7%

Notes: *Because the sample of households contacted in small population states like Utah is relatively few in number, the data collected for two or three years is combined to calculate less variable estimates. The Census Bureau recommends using 2-year averages for evaluating changes in state estimates over time, and 3-year averages when comparing the relative ranking of states.

**2002 Median Household Income was calculated by Utah Foundation.

The Standard Error is a measurement that indicates the magnitude of sampling variability for the estimates. Note that the standard errors for U.S. estimates are much smaller than those for the states.

Sources: U.S. Census Bureau and Utah Foundation

Table 53
Average Annual Pay For All Workers Covered by Unemployment Insurance: U.S., Mountain Division, and States

Division/State	Average Annual Pay			Rates of Change for Average Annual Pay		Average Annual Pay as a Percent of U.S. Average Annual Pay			Rankings		
	1997	2001	2002	Avg. Ann. Growth Rate 1997-2002	Percent Change 2001-02	1997	2001	2002	Rank by Average Annual Pay 2002	Rank by Avg. Ann. Growth Rate 1997-2002	Rank by Percent Change 2001-02
United States	$30,353	$36,219	$36,744	3.9%	1.4%	100.0%	100.0%	100.0%	(x)	(x)	(x)
Mountain States											
Arizona	27,659	33,411	34,033	4.2%	1.9%	91.1%	92.2%	92.6%	22	11	39
Colorado	30,066	37,952	38,002	4.8%	0.1%	99.1%	104.8%	103.4%	12	1	48
Idaho	24,062	27,768	28,158	3.2%	1.4%	79.3%	76.7%	76.6%	46	46	44
Montana	21,946	25,195	25,998	3.4%	3.2%	72.3%	69.6%	70.8%	51	41	11
Nevada	28,672	33,121	33,993	3.5%	2.6%	94.5%	91.4%	92.5%	23	40	22
New Mexico	24,684	28,702	29,421	3.6%	2.5%	81.3%	79.2%	80.1%	42	34	27
Utah	25,736	30,077	30,580	3.5%	1.7%	84.8%	83.0%	83.2%	36	36	41
Wyoming	23,866	28,043	28,977	4.0%	3.3%	78.6%	77.4%	78.9%	43	18	7
Other States											
Alabama	26,139	30,102	31,152	3.6%	3.5%	86.1%	83.1%	84.8%	32	35	5
Alaska	33,156	36,170	37,099	2.3%	2.6%	109.2%	99.9%	101.0%	15	51	24
Arkansas	23,277	27,260	28,066	3.8%	3.0%	76.7%	75.3%	76.4%	47	21	16
California	33,525	41,327	41,408	4.3%	0.2%	110.5%	114.1%	112.7%	6	8	47
Connecticut	38,941	46,993	46,881	3.8%	-0.2%	128.3%	129.7%	127.6%	2	24	50
Delaware	32,188	38,427	39,669	4.3%	3.2%	106.0%	106.1%	108.0%	8	10	9
D.C.	46,761	55,909	57,907	4.4%	3.6%	154.1%	154.4%	157.6%	1	7	3
Florida	26,673	31,553	32,397	4.0%	2.7%	87.9%	87.1%	88.2%	31	17	21
Georgia	29,037	35,136	35,725	4.2%	1.7%	95.7%	97.0%	97.2%	19	12	40
Hawaii	28,357	31,253	32,671	2.9%	4.5%	93.4%	86.3%	88.9%	26	50	1
Illinois	33,024	39,083	39,675	3.7%	1.5%	108.8%	107.9%	108.0%	7	25	42
Indiana	27,635	31,779	32,599	3.4%	2.6%	91.0%	87.7%	88.7%	28	43	23
Iowa	24,803	28,837	29,664	3.6%	2.9%	81.7%	79.6%	80.7%	40	30	18
Kansas	25,694	30,153	30,830	3.7%	2.2%	84.7%	83.3%	83.9%	35	27	32
Kentucky	25,577	30,021	30,912	3.9%	3.0%	84.3%	82.9%	84.1%	34	20	13
Louisiana	25,755	29,131	30,119	3.2%	3.4%	84.9%	80.4%	82.0%	37	47	6
Maine	24,899	28,815	29,737	3.6%	3.2%	82.0%	79.6%	80.9%	39	31	10
Maryland	31,763	38,253	39,358	4.4%	2.9%	104.6%	105.6%	107.1%	9	6	17
Massachusetts	35,716	44,975	44,955	4.7%	0.0%	117.7%	124.2%	122.3%	5	3	49
Michigan	32,780	37,391	38,104	3.1%	1.9%	108.0%	103.2%	103.7%	11	48	38
Minnesota	30,231	36,587	37,470	4.4%	2.4%	99.6%	101.0%	102.0%	13	5	28
Mississippi	22,778	25,923	26,661	3.2%	2.8%	75.0%	71.6%	72.6%	48	45	19
Missouri	27,780	32,421	33,115	3.6%	2.1%	91.5%	89.5%	90.1%	25	33	33
Nebraska	24,565	28,377	29,450	3.7%	3.8%	80.9%	78.3%	80.1%	41	28	2
New Hampshire	29,296	35,481	36,172	4.3%	1.9%	96.5%	98.0%	98.4%	17	9	37
New Jersey	37,514	44,320	45,190	3.8%	2.0%	123.6%	122.4%	123.0%	4	22	36
New York	38,543	46,727	46,132	3.7%	-1.3%	127.0%	129.0%	125.5%	3	29	51
North Carolina	26,684	32,024	32,662	4.1%	2.0%	87.9%	88.4%	88.9%	27	13	35
North Dakota	22,049	25,707	26,545	3.8%	3.3%	72.6%	71.0%	72.2%	49	23	8
Ohio	29,094	33,283	34,217	3.3%	2.8%	95.9%	91.9%	93.1%	21	44	20
Oklahoma	24,226	28,016	28,660	3.4%	2.3%	79.8%	77.4%	78.0%	44	42	30
Oregon	28,411	33,204	33,689	3.5%	1.5%	93.6%	91.7%	91.7%	24	39	43
Pennsylvania	30,163	34,978	35,800	3.5%	2.4%	99.4%	96.6%	97.4%	18	38	29
Rhode Island	28,662	33,603	34,782	3.9%	3.5%	94.4%	92.8%	94.7%	20	19	4
South Carolina	24,995	29,255	30,001	3.7%	2.5%	82.3%	80.8%	81.6%	38	26	26
South Dakota	21,648	25,601	26,360	4.0%	3.0%	71.3%	70.7%	71.7%	50	15	14
Tennessee	27,248	31,520	32,518	3.6%	3.2%	89.8%	87.0%	88.5%	29	32	12
Texas	29,699	36,045	36,235	4.1%	0.5%	97.8%	99.5%	98.6%	16	14	46
Vermont	25,496	30,238	31,010	4.0%	2.6%	84.0%	83.5%	84.4%	33	16	25
Virginia	29,548	36,733	37,216	4.7%	1.3%	97.3%	101.4%	101.3%	14	2	45
Washington	30,769	37,459	38,249	4.4%	2.1%	101.4%	103.4%	104.1%	10	4	34
West Virginia	24,716	27,981	28,612	3.0%	2.3%	81.4%	77.3%	77.9%	45	49	31
Wisconsin	27,337	31,540	32,474	3.5%	3.0%	90.1%	87.1%	88.4%	30	37	15

Note: This tables differs slightly from other tables due to timing and different sources.

Source: U.S. Bureau of Labor Statistics

Table 54
Employees on Nonagricultural Payrolls -- U.S., Mountain Division, and States

Division/State	Employees on Nonagricultural Payrolls 1997 (thousands)	Employees on Nonagricultural Payrolls 2001 (thousands)	Employees on Nonagricultural Payrolls 2002 (thousands)	Rates of Change for Employees on Nonagricultural Payrolls Avg. Ann. Growth Rate 1997-2002	Rates of Change for Employees on Nonagricultural Payrolls Percent Change 2001-02	Employees on Nonagricultural Payrolls (not seasonally adjusted) October 2002 (thousands)	Employees on Nonagricultural Payrolls (not seasonally adjusted) October 2003(p) (thousands)	Employees on Nonagricultural Payrolls (not seasonally adjusted) Percent Change 2002-03	Rankings Rank by Employees on Nonag. Payrolls 2002	Rankings Rank by Average Annual Growth Rate 1997-2002	Rankings Rank by Percent Change 2001-02	Rankings Rank by Percent Change (unadjust.) 2002-03
United States	122,776	131,826	130,376	1.2%	-1.1%	131,297	131,071	-0.2%	(x)	(x)	(x)	(x)
Mountain States	7,656	8,585	8,547	2.2%	-0.4%	8,611	8,683	0.8%				
Arizona	1,985	2,265	2,265	2.7%	0.0%	2,287	2,316	1.3%	21	2	10	7
Colorado	1,980	2,225	2,184	2.0%	-1.9%	2,183	2,163	-0.9%	22	5	50	43
Idaho	510	568	567	2.2%	-0.1%	576	586	1.8%	43	4	13	3
Montana	365	392	396	1.6%	1.0%	402	403	0.2%	46	13	4	20
Nevada	891	1,051	1,050	3.3%	-0.2%	1,064	1,099	3.3%	35	1	15	1
New Mexico	708	757	766	1.6%	1.2%	772	784	1.6%	37	15	3	5
Utah	994	1,081	1,073	1.5%	-0.8%	1,078	1,079	0.1%	34	17	26	26
Wyoming	225	245	248	2.0%	0.9%	249	252	1.1%	51	7	5	9
Other States												
Alabama	1,866	1,909	1,887	0.2%	-1.2%	1,898	1,882	-0.8%	23	49	35	41
Alaska	269	289	296	1.9%	2.2%	299	303	1.3%	50	8	1	8
Arkansas	1,104	1,154	1,148	0.8%	-0.5%	1,158	1,155	-0.3%	33	38	19	34
California	13,130	14,602	14,477	2.0%	-0.9%	14,544	14,512	-0.2%	1	6	29	32
Connecticut	1,612	1,681	1,668	0.7%	-0.8%	1,674	1,655	-1.1%	27	40	25	47
Delaware	388	419	413	1.3%	-1.5%	417	413	-0.9%	45	21	44	42
D.C.	618	654	663	1.4%	1.5%	668	671	0.5%	39	19	2	15
Florida	6,414	7,171	7,205	2.4%	0.5%	7,233	7,329	1.3%	4	3	6	6
Georgia	3,614	3,943	3,905	1.6%	-1.0%	3,915	3,985	1.8%	11	16	32	2
Hawaii	532	555	556	0.9%	0.1%	561	570	1.7%	42	35	9	4
Illinois	5,772	5,995	5,895	0.4%	-1.7%	5,951	5,891	-1.0%	5	45	46	45
Indiana	2,858	2,933	2,891	0.2%	-1.4%	2,929	2,898	-1.1%	14	48	41	46
Iowa	1,407	1,466	1,447	0.6%	-1.3%	1,461	1,460	0.0%	29	43	37	29
Kansas	1,268	1,348	1,338	1.1%	-0.7%	1,348	1,350	0.2%	31	28	23	22
Kentucky	1,711	1,804	1,786	0.9%	-1.0%	1,797	1,784	-0.7%	26	37	33	40
Louisiana	1,850	1,918	1,900	0.5%	-0.9%	1,908	1,907	0.0%	24	44	30	28
Maine	554	608	606	1.8%	-0.3%	614	613	-0.1%	41	10	18	31
Maryland	2,267	2,467	2,473	1.7%	0.2%	2,493	2,502	0.3%	20	11	7	18
Massachusetts	3,109	3,329	3,249	0.9%	-2.4%	3,267	3,219	-1.4%	13	36	51	49
Michigan	4,448	4,556	4,476	0.1%	-1.8%	4,534	4,465	-1.5%	8	51	48	50
Minnesota	2,491	2,680	2,650	1.2%	-1.1%	2,677	2,670	-0.3%	19	24	34	33
Mississippi	1,107	1,130	1,127	0.4%	-0.3%	1,133	1,132	-0.1%	32	46	16	30
Missouri	2,639	2,726	2,682	0.3%	-1.6%	2,694	2,682	-0.4%	16	47	45	37
Nebraska	854	913	906	1.2%	-0.8%	915	920	0.5%	36	26	24	12
New Hampshire	570	627	618	1.6%	-1.4%	623	625	0.2%	40	12	40	21
New Jersey	3,725	3,997	3,994	1.4%	-0.1%	4,016	4,038	0.5%	9	20	12	13
New York	8,067	8,592	8,440	0.9%	-1.8%	8,492	8,467	-0.3%	3	33	49	36
North Carolina	3,663	3,896	3,843	1.0%	-1.4%	3,871	3,872	0.0%	10	31	39	27
North Dakota	314	330	330	1.0%	0.0%	336	337	0.4%	48	30	11	17
Ohio	5,392	5,543	5,446	0.2%	-1.7%	5,484	5,419	-1.2%	7	50	47	48
Oklahoma	1,393	1,504	1,481	1.2%	-1.5%	1,488	1,481	-0.5%	30	25	43	38
Oregon	1,526	1,594	1,572	0.6%	-1.3%	1,596	1,580	-1.0%	28	42	38	44
Pennsylvania	5,407	5,683	5,652	0.9%	-0.5%	5,696	5,680	-0.3%	6	34	20	35
Rhode Island	450	478	479	1.3%	0.1%	485	488	0.5%	44	23	8	14
South Carolina	1,720	1,823	1,809	1.0%	-0.8%	1,825	1,788	-2.0%	25	29	27	51
South Dakota	355	378	378	1.3%	-0.2%	383	385	0.5%	47	22	14	11
Tennessee	2,584	2,688	2,666	0.6%	-0.8%	2,682	2,687	0.2%	17	41	28	23
Texas	8,608	9,518	9,427	1.8%	-1.0%	9,462	9,493	0.3%	2	9	31	19
Vermont	279	302	300	1.4%	-0.7%	304	307	0.9%	49	18	22	10
Virginia	3,232	3,517	3,495	1.6%	-0.6%	3,523	3,537	0.4%	12	14	21	16
Washington	2,514	2,697	2,657	1.1%	-1.5%	2,689	2,692	0.1%	18	27	42	25
West Virginia	708	735	733	0.7%	-0.3%	737	733	-0.5%	38	39	17	39
Wisconsin	2,656	2,814	2,779	0.9%	-1.3%	2,808	2,811	0.1%	15	32	36	24

Note: This data varies slightly from data reported by the State of Utah Department of Workforce Services.

Source: U.S. Bureau of Labor Statistics

Table 55
Unemployment Rates -- U.S., Mountain Division, and States

Division/State	Unemployment Rate 1997	Unemployment Rate 2001	Unemployment Rate 2002	Unemployment Rate Change 1997-2002	Unemployment Rate Change 2001-02	Unemployment Rate (not seasonally adjusted) October 2002	Unemployment Rate (not seasonally adjusted) October 2003(p)	Rankings by Unemployment Rate 1997	2001	2002	(unadjust.) 2002	(unadjust.) 2003(p)
United States	4.9	4.8	5.8	0.9	1.0	5.3	5.6	(x)	(x)	(x)	(x)	(x)
Mountain States												
Arizona	4.6	4.7	6.2	1.6	1.5	6.2	5.2	28	22	10	8	21
Colorado	3.3	3.7	5.7	2.4	2.0	5.6	5.2	44	40	20	17	21
Idaho	5.3	5.0	5.8	0.5	0.8	4.9	4.5	16	15	18	30	34
Montana	5.4	4.6	4.6	-0.8	0.0	4.2	3.8	11	26	37	38	43
Nevada	4.1	5.3	5.5	1.4	0.2	4.7	4.7	34	11	24	31	29
New Mexico	6.2	4.8	5.4	-0.8	0.6	5.2	5.8	7	18	28	23	13
Utah	3.1	4.4	6.1	3.0	1.7	5.7	4.4	47	29	12	16	36
Wyoming	5.1	3.9	4.2	-0.9	0.3	3.6	3.4	20	37	43	46	47
Other States												
Alabama	5.1	5.3	5.9	0.8	0.6	6.2	5.9	20	11	17	8	11
Alaska	7.9	6.4	7.7	-0.2	1.3	7.5	6.8	1	1	1	1	4
Arkansas	5.3	5.0	5.4	0.1	0.4	4.4	5.0	16	15	28	37	25
California	6.3	5.4	6.7	0.4	1.3	6.6	6.4	6	8	5	4	7
Connecticut	5.1	3.3	4.3	-0.8	1.0	4.2	4.5	20	48	42	38	34
Delaware	4.0	3.4	4.2	0.2	0.8	4.0	3.7	36	45	43	42	45
D.C.	7.9	6.4	6.4	-1.5	0.0	6.3	6.6	1	1	8	6	5
Florida	4.8	4.8	5.5	0.7	0.7	5.5	4.9	25	18	24	19	27
Georgia	4.5	4.0	5.1	0.6	1.1	5.3	4.4	30	35	31	21	36
Hawaii	6.4	4.6	4.2	-2.2	-0.4	3.8	4.2	4	26	43	43	38
Illinois	4.7	5.4	6.5	1.8	1.1	6.1	6.1	27	8	7	10	8
Indiana	3.5	4.4	5.1	1.6	0.7	4.6	4.7	43	29	31	33	29
Iowa	3.3	3.3	4.0	0.7	0.7	3.5	3.8	44	48	47	47	43
Kansas	3.8	4.3	5.1	1.3	0.8	5.2	4.7	40	32	31	23	29
Kentucky	5.4	5.4	5.6	0.2	0.2	5.2	5.3	11	8	23	23	17
Louisiana	6.1	5.9	6.1	0.0	0.2	5.9	5.4	8	5	12	13	16
Maine	5.4	3.9	4.4	-1.0	0.5	4.1	4.7	11	37	39	40	29
Maryland	5.1	4.0	4.4	-0.7	0.4	4.1	4.0	20	35	39	40	41
Massachusetts	4.0	3.7	5.3	1.3	1.6	5.2	5.3	36	40	30	23	17
Michigan	4.2	5.3	6.2	2.0	0.9	5.4	6.9	32	11	10	20	1
Minnesota	3.3	3.7	4.4	1.1	0.7	3.8	4.1	44	40	39	43	40
Mississippi	5.7	5.5	6.8	1.1	1.3	7.1	5.8	10	6	4	2	13
Missouri	4.2	4.7	5.5	1.3	0.8	5.0	4.9	32	22	24	29	27
Nebraska	2.6	3.1	3.6	1.0	0.5	3.2	3.5	50	50	50	48	46
New Hampshire	3.1	3.5	4.7	1.6	1.2	4.5	3.9	47	44	36	35	42
New Jersey	5.1	4.2	5.8	0.7	1.6	5.8	5.5	20	33	18	14	15
New York	6.4	4.9	6.1	-0.3	1.2	6.0	6.0	4	17	12	12	10
North Carolina	3.6	5.5	6.7	3.1	1.2	6.3	5.9	42	6	5	6	11
North Dakota	2.5	2.9	4.0	1.5	1.1	2.8	2.4	51	51	47	50	51
Ohio	4.6	4.2	5.7	1.1	1.5	5.2	5.1	28	33	20	23	24
Oklahoma	4.1	3.8	4.5	0.4	0.7	4.5	5.2	34	39	38	35	21
Oregon	5.8	6.3	7.5	1.7	1.2	6.5	6.9	9	4	2	5	1
Pennsylvania	5.2	4.7	5.7	0.5	1.0	5.3	5.0	19	22	20	21	25
Rhode Island	5.3	4.7	5.1	-0.2	0.4	5.1	4.2	16	22	31	28	38
South Carolina	4.5	5.3	6.0	1.5	0.7	5.8	6.9	30	11	16	14	1
South Dakota	3.1	3.4	3.1	0.0	-0.3	2.5	2.8	47	45	51	51	50
Tennessee	5.4	4.4	5.1	-0.3	0.7	4.7	5.3	11	29	31	31	17
Texas	5.4	4.8	6.3	0.9	1.5	6.1	6.1	11	18	9	10	8
Vermont	4.0	3.6	3.7	-0.3	0.1	3.1	3.3	36	43	49	49	49
Virginia	4.0	3.4	4.1	0.1	0.7	3.8	3.4	36	45	46	43	47
Washington	4.8	6.4	7.3	2.5	0.9	6.7	6.6	25	1	3	3	5
West Virginia	6.9	4.8	6.1	-0.8	1.3	5.6	5.3	3	18	12	17	17
Wisconsin	3.7	4.5	5.5	1.8	1.0	4.6	4.6	41	28	24	33	33

(p)=preliminary

Source: U.S. Bureau of Labor Statistics

Table 56
Percent of People in Poverty -- U.S., Mountain Division, and States

	Percent of Persons in Poverty			Percent of Persons in Poverty Two-year Moving Average**				Percent of Persons in Poverty Three-year Average**		
	1996	2000	2001	1999-2000	2000-2001			1999-2001		
	Percent	Percent	Percent	Amount	Amount	Standard Error	Two-year Average Difference	Amount	Standard Error	Amount Rank
United States	13.8	11.6	12.2	11.5	11.9	0.2	0.4	11.7	0.2	(x)
Mountain States										
Arizona	19.2	15.1	15	13.2	14.1	1.7	0.9	13.3	1.4	14
Colorado	8.5	8.7	9.6	9.3	9.2	1.2	-0.1	9.4	1	36
Idaho	16.6	12.5	12.2	12	11.4	1.6	-0.6	11.8	1.3	21
Montana	15.3	13.2	14.2	13.7	13.4	1.8	-0.3	13.7	1.5	12
Nevada	11.9	7.6	9.3	8	8	1.2	0	8.3	1	43
New Mexico	20.4	18.2	18.9	17.7	17.9	2.1	0.2	17.8	1.8	2
Utah	8.4	10.6	10.2	9.1	10.2	1.4	1.1	9.3	1.1	38
Wyoming	13.5	8.9	8.9	9.7	8.8	1.3	-0.9	9.5	1.2	34
Other States										
Alabama	15.1	16.3	15.3	14.6	15.2	1.7	0.6	14.6	1.4	9
Alaska	9.4	9.1	9.3	8.1	8.7	1.2	0.6	8.3	1.1	43
Arkansas	18.7	18.3	21.6	17.1	18.8	1.9	1.7	18	1.6	1
California	19.1	13.2	14.5	12.6	12.8	0.7	0.2	12.8	0.6	17
Connecticut	9.2	8	8.8	7.5	7.8	1.1	0.3	7.8	0.9	47
Delaware	9.6	7.4	9.5	7.6	7.9	1.3	0.3	8.1	1.1	46
D.C.	20.4	19.4	19.2	16.7	17.6	1.9	0.9	16.8	1.6	5
Florida	14.2	13.1	13	11.8	12.6	0.9	0.8	12.1	0.8	18
Georgia	13.3	12.5	11.9	12.5	12.1	1.5	-0.4	12.1	1.3	18
Hawaii	14.2	11.2	10.7	10.2	11.4	1.5	1.2	10.6	1.2	26
Illinois	11.4	10.7	12.8	10.4	11.5	1	1.1	11.2	0.8	23
Indiana	8.9	8.6	9.1	8.5	8.8	1.1	0.3	8.7	0.9	40
Iowa	9.7	7	8.8	7.8	8.3	1.2	0.5	8.3	1	43
Kansas	9.5	10.4	9.8	9.1	10.1	1.3	1	9.4	1.1	36
Kentucky	15.8	12.6	15.3	12.6	13.4	1.5	0.8	13.1	1.3	15
Louisiana	16	16.9	18.2	16.7	16.9	1.8	0.2	17	1.6	4
Maine	10.2	10	13.7	10.2	11.9	1.3	1.7	11.3	1.1	22
Maryland	8	7.2	7.4	7.3	7.3	1.1	0	7.3	0.9	49
Massachusetts	13.1	9.2	10	9.4	9.5	1.1	0.1	9.6	1	32
Michigan	10.1	9.7	11.3	9.6	10.5	1	0.9	10.3	0.8	27
Minnesota	10.3	7	6	6.5	6.9	1	0.4	6.5	0.9	50
Mississippi	16.4	19.5	17.8	17.1	18.9	2	1.8	17.6	1.7	3
Missouri	10.8	9.5	10.1	9.4	9.8	1.3	0.4	9.6	1.1	32
Nebraska	9.7	9.5	11.2	9	10	1.4	1	9.5	1.2	34
New Hampshire	8.9	6.4	5.7	5.5	6.1	1	0.6	5.6	0.8	51
New Jersey	9.2	8.4	7.7	7.7	8	0.9	0.3	7.8	0.8	47
New York	18.4	14.9	14.4	14	14.1	0.8	0.1	14	0.7	11
North Carolina	10.8	12.8	15.1	12.5	13.4	1.3	0.9	13.1	1.1	15
North Dakota	13.5	14.9	12.5	12.1	12.7	1.5	0.6	11.9	1.2	20
Ohio	10.8	11.2	9.7	10.3	10.1	1	-0.2	10.1	0.8	30
Oklahoma	14.4	15	15	15	14.6	1.6	-0.4	14.7	1.4	8
Oregon	12.5	12	11.1	11.3	11.3	1.4	0	11.2	1.2	23
Pennsylvania	11	9.8	9.4	9.1	9.5	0.9	0.4	9.2	0.7	39
Rhode Island	13.4	9.4	11.1	9.9	10.3	1.2	0.4	10.3	1	27
South Carolina	13.3	15.2	14.7	13.1	14.7	1.6	1.6	13.5	1.3	13
South Dakota	15.2	9.3	13.8	9.6	10	1.3	0.4	10.2	1.1	29
Tennessee	13.9	13.5	15.7	13.8	14.5	1.7	0.7	14.2	1.4	10
Texas	18.4	15.7	16.5	15.2	15.3	1	0.1	15.3	0.8	7
Vermont	8.9	10	10.1	9.9	9.8	1.3	-0.1	9.9	1.1	31
Virginia	12.6	7.9	9.6	8.1	8.9	1.2	0.8	8.7	1	40
Washington	9.5	10.6	11.5	10.8	10.8	1.4	0	10.8	1.2	25
West Virginia	16	16.5	17.9	15.6	16.6	1.6	1	16	1.4	6
Wisconsin	8.2	8.4	8.8	8.6	8.2	1.1	-0.4	8.6	1	42

*Statistically significant at the 90% confidence level

**Because the sample of households contacted in small population states like Utah is relatively few in number, the data collected for two or three years is combined to calculate less variable estimates. The Census Bureau recommends using 2-year averages for evaluating changes in state estimates over time, and 3-year averages when comparing the relative ranking of states.

The Standard Error is a measurement that indicates the magnitude of sampling variability for the estimates. Note that the standard errors for U.S. estimates are much smaller than those for the states.

Ranking is done for the 50 states and the District of Columbia.

Source: March Current Population Survey, U.S. Census Bureau, Poverty in the United States: 2001.

Social Indicators

Overview

Quality of life is a subjective concept that is difficult to measure. The connection between economic performance and quality of life is indisputable, and despite a state economy that continued to follow the national trend of slow growth throughout 2003, Utah has remained among the top states in terms of quality of life. Utah's transportation infrastructure is diverse and growing. Although Utah's violent crime rate has followed the national trend upward, it remains among the lowest in the U.S. While poverty rates have increased, educational attainment has also risen, and Utah's birth rate continues to be the highest among states. Utah ranked third in the nation on the indicators of child well being and ranked third-highest in overall health status. The combination of these and other measurable data reveal Utah's social structure among the best in the Nation.

Utah Quality of Life Information

Utah's Kids Count. According to the Annie E. Casey Foundation, Utah ranked third among states in child well-being, behind New Hampshire and Minnesota in 2003.[1] The Foundation tracks indicators of child well-being by state that are published in the *2003 Kids Count Data Book*. A state's National Composite Rank is determined by the sum of the state's standing on each of 10 measures of the condition of children arranged in order from best (1) to worst (51). The Foundation's indicators are: percent low birth weight babies; infant mortality rate; child death rate; rate of teen deaths by accident, homicide, and suicide; teen birth rate; percent of teens who are high school dropouts; percent of teens not attending school and not working; percent of children living with parents who do not have full-time, year-round employment; percent of children in poverty; and percent of families with children headed by a single parent.

Transportation Choices. The availability of multiple transportation alternatives is an often-overlooked measure of an area's quality of life. Although the 2002 American Community Survey shows the majority of working Utahns (77.0%) drive alone as their means of transportation to work, the number of working Utahns using public transportation as their means of travel to work has increased by 9.5% since Census 2000. Between 2001 and 2002, the Utah Transit Authority (UTA) reported a 61.3% increase in the number of passengers using the Trax light rail system and a 9.9% increase in the number of passengers using any of their public transportation services including bus, rail, paratransit, and vanpool.

Current Data on Social Well Being

Crime. Statistics for 2002 from the Federal Bureau of Investigation's (FBI) Uniform Crime Reports show the rate of violent crimes (murder and non-negligent manslaughter, forcible rape, robbery, and aggravated assault) in Utah at 236.9 per 100,000 people. This is a 1.2% increase from the 2001 violent crime rate. Only seven other states had lower rates than Utah. Utah's rate continues to be significantly lower than the U.S. rate (494.6 per 100,000 people in 2002).

Education. The March Supplement to the 2002 Current Population Survey ranks Utah as the fourth-highest state in its proportion of persons age 25 and over with at least a high school degree (91.0%). Utah ranks 20th in higher education, with 26.8% of persons 25 years and over having obtained a Bachelor's degree or higher.

Home Ownership. Home ownership rates for 2002 show that Utah has the 17th-highest percent of homeowners at 72.7%. The rate for the nation is 67.9%. The highest rates occurred in Minnesota (77.3%), South Carolina (77.3%), West Virginia (77.0%), Michigan (76.0%), and Delaware (75.6%). The lowest rates were in the District of Columbia (44.1%), New York (55.0%), Hawaii (57.4%), and California (58.0%).

Vital Statistics and Health. Utah's unique age structure impacts its ranking among other states on many vital statistics. According to the U.S. Census Bureau, Utah continues to have the highest percentage of the population less than 18 years of age (30.8% in 2002) in the nation and the lowest median age (27.7 in 2002). Utah also has the second lowest percentage of the population age 65 and over (8.6% in 2002) behind Alaska.

Births. Preliminary data from the National Center for Health Statistics revealed that Utah's birth rate in 2002 continued to be the highest estimated rate of all states at 21.2 births per 1,000 people. Texas and Arizona rank second and third at 16.9 and 16.1 respectively. The U.S. rate was 13.9.

Deaths. Operating on a two-year lag, the National Center for Health Statistics showed the overall death rate in Utah was 5.6 per 1,000 people in 2001--the second-lowest among U.S. states. The age adjusted death rate was 7.8 per 1,000 people, ranking sixth-lowest. The infant mortality rate (deaths to infants less than one year old per 1,000 live births) was 4.8 in Utah in 2001--only New Hampshire (3.8) had a lower rate. Using data from the American Cancer Society, Utah's deaths by cancer per 100,000 people was estimated at 112.3, the second-lowest death rate by cancer in 2003. The Centers for Disease Control and Prevention reported Utah's HIV/AIDS rate per 100,000 people in 2002 at 4.1--the 14th-lowest in the nation. Actual deaths by AIDS in 2001 numbered only 14 for the entire Utah population.

Health Insurance Coverage. According to the U.S. Census Bureau, approximately 13.6% of the Utah population was without health insurance coverage (three-year moving average). Utah was ranked 21st (tied with Washington) among states. The U.S. average was 14.7%.

Poverty. According to the 2002 Current Population Survey, Utah's 2002 poverty rate (three-year moving average) was 9.3%, or the 14th-lowest in the nation. The states with the lowest poverty rates were New Hampshire (5.6), Minnesota (6.5), Maryland (7.3), Connecticut (7.8), and New Jersey (7.8). In the U.S., approximately 11.7% of the population was in poverty.

Public Assistance. There were an estimated 19,982 recipients of Temporary Assistance to Needy Families (TANF) in 2002, ranking Utah 10th-lowest among states in the total number of TANF recipients. Approximately 89,899 people in Utah received benefits from the Federal Food Stamp Program, which dispersed $19.8 million worth of benefits in Utah in 2002. Utah ranked 39th in the number of food stamp recipients, and 32nd in the amount of benefits from the Federal Food Stamp Program.

[1] 2003 overall ranks are based on data from 2000 (the most recent available year).

Table 57
Crime, Education, and Home Ownership

	CRIME				EDUCATION				HOME OWNERSHIP	
					Educational Attainment Persons 25 Years Old and Over 2002 (2)					
	Violent Crime* per 100,000 People 2002 (1)		Property Crime** per 100,000 People 2002 (1)		High School or Higher		Bachelor's Degree or Higher		Home Ownership Rates 2002 (3)	
	Rate	Rank	Rate	Rank	Percent	Rank	Percent	Rank	Percent	Rank
U.S.	494.6	(X)	3,624.1	(X)	84.1	(X)	26.7	(X)	67.9	(X)
Alabama	444.2	22	4,020.9	17	78.9	48	22.7	39	73.5	13
Alaska	563.4	13	3,746.3	24	92.2	1	25.6	27	67.3	38
Arizona	552.9	14	5,833.4	2	84.6	34	26.3	23	65.9	43
Arkansas	424.4	23	3,733.1	25	81.0	40	18.3	50	70.2	25
California	593.4	11	3,350.3	29	80.2	42	27.9	16	58	48
Colorado	352.4	28	3,995.4	18	87.6	17	35.7	3	69.1	35
Connecticut	311.1	34	2,686.1	40	88.0	14	32.6	6	71.6	22
Delaware	599.0	10	3,340.0	30	88.5	11	29.5	12	75.6	5
District of Colombia	1,632.9	1	6,389.4	1	83.5	36	44.4	1	44.1	51
Florida	770.2	3	4,650.4	5	83.3	37	25.7	26	68.7	36
Georgia	458.8	21	4,048.4	16	82.9	38	25.0	30	71.7	21
Hawaii	262.0	42	5,781.7	3	87.9	15	26.8	20	57.4	49
Idaho	254.9	43	2,917.5	38	86.8	23	20.9	46	73	15
Illinois	620.7	9	3,395.6	27	85.9	29	27.3	17	70.2	25
Indiana	357.2	27	3,392.8	28	85.3	32	23.7	34	75	6
Iowa	285.6	37	3,162.6	35	88.3	12	23.1	38	73.9	11
Kansas	376.6	25	3,710.3	26	87.5	18	29.1	13	70.2	25
Kentucky	279.0	39	2,623.6	42	80.8	41	21.6	44	73.5	13
Louisiana	662.3	7	4,435.7	9	78.8	49	22.1	42	67.1	40
Maine	107.8	49	2,548.2	44	87.4	20	23.8	33	73.9	11
Maryland	769.8	4	3,977.6	19	87.5	18	37.6	2	72	18
Massachusetts	484.4	19	2,609.8	43	86.5	26	34.3	5	62.7	46
Michigan	540.3	15	3,333.8	31	86.5	26	22.5	40	76	4
Minnesota	267.5	41	3,267.6	34	92.2	1	30.5	9	77.3	1
Mississippi	343.3	32	3,815.9	22	79.1	47	20.9	46	74.8	7
Missouri	538.7	16	4,063.8	15	88.1	13	26.7	22	74.6	8
Montana	351.5	29	3,161.4	36	89.7	8	23.6	35	69.3	34
Nebraska	313.9	33	3,942.8	20	89.8	7	27.1	18	68.4	37
Nevada	637.5	8	3,860.0	21	85.8	31	22.1	42	65.5	44
New Hampshire	161.2	48	2,058.7	51	90.2	6	30.1	10	69.5	31
New Jersey	374.5	26	2,649.7	41	85.9	29	31.4	7	67.2	39
New Mexico	739.5	5	4,338.2	10	81.6	39	25.4	28	70.3	24
New York	496.0	18	2,307.7	48	83.7	35	28.8	14	55	50
North Carolina	470.2	20	4,251.2	12	80.1	44	22.4	41	70	30
North Dakota	78.2	51	2,328.0	47	89.0	10	25.3	29	69.5	31
Ohio	351.3	30	3,755.9	23	87.3	22	24.5	32	72	18
Oklahoma	503.4	17	4,239.8	13	85.1	33	20.4	48	69.4	33
Oregon	292.4	35	4,576.0	7	87.7	16	27.1	18	66.2	42
Pennsylvania	401.9	24	2,439.1	45	86.1	28	26.1	25	74	10
Rhode Island	285.2	38	3,303.8	33	80.1	44	30.1	10	59.6	47
South Carolina	822.0	2	4,475.3	8	80.2	42	23.3	37	77.3	1
South Dakota	177.4	47	2,101.3	50	89.2	9	23.6	35	71.5	23
Tennessee	716.9	6	4,302.0	11	80.1	44	21.5	45	70.1	29
Texas	578.6	12	4,611.0	6	78.1	51	26.2	24	63.8	45
Utah	236.9	44	4,215.5	14	91.0	4	26.8	20	72.7	17
Vermont	106.7	50	2,423.3	46	87.4	20	30.8	8	70.2	25
Virginia	291.4	36	2,848.9	39	86.7	25	34.6	4	74.3	9
Washington	345.4	31	4,761.4	4	90.4	5	28.3	15	67	41
West Virginia	234.3	45	2,280.9	49	78.5	50	15.9	51	77	3
Wisconsin	224.9	46	3,027.8	37	86.8	23	24.7	31	72	18
Wyoming	273.5	40	3,307.4	32	91.6	3	19.6	49	72.8	16

Note: Rank is high to low. When states share the same rank, the next lower rank is omitted.
* Violent crimes are offenses of murder, forcible rape, robbery, and aggravated assault.
** Property crimes are offenses of burglary, larceny-theft, and motor-vehicle thefts.

Sources: (1) Federal Bureau of Investigation. "Crime in the United States, 2002." October 2003. (2) U.S. Census Bureau. *Current Population Survey, March 2002 Annual Demographic Survey*. Data generated by the Governor's Office of Planning and Budget using DataFerret. <http://dataferret.census.gov>. (3) U.S. Census Bureau. *Housing Vacancy Survey Annual Statistics: 2002*.

Table 58
Vital Statistics and Health

	VITAL STATISTICS AND HEALTH											
	Births per 1000 People 2002 (1)		Deaths per 1000 People 2001 (2)		Estimated Deaths by Cancer per 100,000 Persons 2003 (3)		AIDS cases per 100,000 People 2002 (4)		State Health Ranking 2003 (5)		Persons Without Health Insurance (3 Year Average) (2000-2002) (6)	
	Rate	Rank	Rate	Rank	Rate	Rank	Rate	Rank	Score	Rank	Percent	Rank
U.S.	13.9	(X)	8.5	(X)	193.0	(X)	15.0	(X)	(X)	(X)	14.7	(X)
Alabama	13.1	32	10.1	6	218.4	10	9.6	24	-11.1	43	13.0	27
Alaska	15.5	6	4.7	51	108.7	51	5.1	35	-5.5	38	17.8	6
Arizona	16.1	3	7.7	40	177.8	42	11.5	21	-2.1	32	17.1	9
Arkansas	13.9	20	10.3	4	225.1	5	8.9	25	-14.2	47	15.6	14
California	15.1	8	6.8	48	148.7	48	12.4	20	5.7	22	18.7	3
Colorado	15.2	7	6.4	49	139.8	49	7.4	31	13.7	9	15.3	16
Connecticut	12.1	44	8.7	27	199.4	26	17.9	8	14.7	6	10.2	40
Delaware	13.7	21	8.9	23	210.6	18	23.9	6	-3.4	34	9.5	45
District of Colombia	12.8	36	10.4	3	192.7	34	162.4	1	na	na	13.2	24
Florida	12.3	42	10.2	5	239.9	3	30.3	4	-10.8	42	17.5	7
Georgia	15.6	4	7.7	42	162.4	45	17.2	9	-7.6	41	15.7	13
Hawaii	14	19	6.8	47	160.7	46	10.3	22	13.4	10	9.7	41
Idaho	15.6	4	7.4	45	171.5	43	2.3	46	9	17	16.4	10
Illinois	14.3	16	8.4	33	198.4	28	16.7	10	0.4	30	13.9	20
Indiana	13.7	21	9.0	22	211.1	16	8	27	1.9	27	12.0	29
Iowa	12.8	36	9.5	15	217.9	11	3.2	42	14.6	7	8.6	48
Kansas	14.5	12	9.1	20	191.5	35	2.6	44	8.3	20	10.9	34
Kentucky	13.2	31	9.8	9	224.8	6	7.5	30	-7	39	13.2	24
Louisiana	14.5	12	9.3	17	209.7	20	26	5	-19.5	49	18.6	4
Maine	10.5	50	9.7	11	231.8	4	2.2	47	13.8	8	10.8	35
Maryland	13.4	25	8.1	36	186.9	37	34	3	0.8	29	12.0	29
Massachusetts	12.6	40	8.9	24	211.6	15	12.6	19	16.3	5	9.0	47
Michigan	13.1	32	8.6	30	197.0	31	7.9	28	1.8	28	10.4	38
Minnesota	13.6	24	7.6	43	181.3	40	3.2	42	24.3	1	8.0	51
Mississippi	14.4	15	9.9	8	215.9	13	15.1	12	-22	50	15.6	14
Missouri	13.3	28	9.8	10	216.8	12	6.9	32	-2.7	33	10.4	38
Montana	12.1	44	9.1	18	208.9	22	1.9	48	2.8	25	15.2	17
Nebraska	14.7	11	8.8	25	196.6	32	4	39	10.1	16	9.6	43
Nevada	15	9	7.8	39	197.8	30	14.4	14	-4.6	36	17.5	7
New Hampshire	11.3	49	7.8	38	196.1	33	3.2	42	24.3	1	9.2	46
New Jersey	13.3	28	8.8	26	204.9	24	16.7	10	8.9	18	13.1	26
New Mexico	14.9	10	7.7	41	167.1	44	4.7	36	-7.5	40	22.0	2
New York	13.4	25	8.3	34	186.9	38	34.8	2	-0.5	31	15.8	12
North Carolina	14.2	17	8.6	29	198.3	29	12.8	18	-4.6	36	14.9	18
North Dakota	12.2	43	9.5	13	205.0	23	0.5	51	12.5	12	10.7	36
Ohio	12.7	39	9.5	14	220.6	8	6.8	33	2.2	26	11.4	32
Oklahoma	14.5	12	10.0	7	211.8	14	5.8	34	-12.1	45	18.2	5
Oregon	12.8	36	8.7	28	204.5	25	8.5	26	8.8	19	13.3	23
Pennsylvania	11.7	47	10.5	2	240.0	2	14.7	13	4.1	24	9.7	41
Rhode Island	12	46	9.5	16	224.4	7	10	23	12.1	13	8.3	50
South Carolina	13.3	28	9.0	21	209.4	21	20.3	7	-15.5	48	12.3	28
South Dakota	14.1	18	9.1	18	210.2	19	1.4	50	11.5	15	10.6	37
Tennessee	13.4	25	9.6	12	219.1	9	13.7	16	-13.2	46	11.0	33
Texas	16.9	2	7.1	46	159.8	47	14.4	14	-3.8	35	24.1	1
Utah	21.2	1	5.6	50	112.3	50	4.1	38	19.5	3	13.6	21
Vermont	10.4	51	8.5	32	210.8	17	1.9	48	19	4	9.6	43
Virginia	13.7	21	7.8	37	187.8	36	13.1	17	6.9	21	12.0	29
Washington	13	35	7.4	44	184.5	39	7.9	28	12.9	11	13.6	21
West Virginia	11.5	48	11.6	1	260.8	1	4.6	37	-11.3	44	14.0	19
Wisconsin	12.6	40	8.6	31	198.5	27	3.4	40	11.7	14	8.4	49
Wyoming	13.1	32	8.2	35	180.5	41	2.4	45	5.2	23	16.4	10

Note: Rank is high to low. When states share the same rank, the next lower rank is omitted.

Sources: (1) National Center for Health Statistics. "National Vital Statistics Reports." Vol 51, No 11. Data is preliminary--final 2002 data was unavailable at the time of publication. This data represents 97.9% completeness for the U.S. and 100% completeness for Utah. (2) National Center for Health Statistics. "National Vital Statistics Reports." Vol 52, No 3. Not age adjusted. (3) American Cancer Society. "Cancer Facts and Figures 2003." Rates calculated by the Governor's Office of Planning and Budget using Census Bureau 2002 population estimates. Not age-adjusted. (4) Centers for Disease Control and Prevention. "HIV/AIDS Surveilance Report." Vol 14. U.S. total includes Puerto Rico, Guam, U.S. Virgin Islands, and U.S. Pacific Islands. (5) United Health Foundation. "America's Health: United Health Foundation State Health Rankings 2003." (6) U.S. Census Bureau. "Health Insurance Coverage in the United States: 2002." *Current Population Survey*. September 2003.

Table 59
Poverty and Public Assistance

	POVERTY		PUBLIC ASSISTANCE						
			Temporary Assistance for Needy Families (TANF) (Monthly)			Federal Food Stamp Program			
	All Ages in Poverty 3-year Average 2000-2002 (1)		2002 (2)			2002 (3)		2002 (4) Thousands of Dollars	
	Percent	Rank	Recipients	Percent of USA	Rank	Persons	Rank	Benefits	Rank
U.S.	11.7	(X)	5,146,132	(X)	(X)	19,093,798	(X)	$3,859,055	(X)
Alabama	14.6	9	42,706	0.8%	28	443,547	15	31,872	27
Alaska	8.3	43	17,623	0.3%	43	46,165	46	7,662	47
Arizona	13.3	14	94,279	1.8%	17	378,722	18	34,539	23
Arkansas	18	1	27,731	0.5%	38	283,909	25	18,448	33
California	12.8	17	1,160,882	22.6%	1	1,710,306	1	357,190	1
Colorado	9.4	36	31,491	0.6%	36	178,490	31	27,361	29
Connecticut	7.8	47	53,102	1.0%	24	168,591	33	25,452	30
Delaware	8.1	46	12,357	0.2%	47	39,628	49	3,955	51
District of Colombia	16.8	5	42,159	0.8%	29	74,271	41	9,786	44
Florida	12.1	18	123,247	2.4%	12	985,130	4	91,739	8
Georgia	12.1	18	128,177	2.5%	11	645,633	9	61,684	11
Hawaii	10.6	26	30,466	0.6%	37	106,370	37	10,619	39
Idaho	11.8	21	2,374	0.05%	50	69,998	43	9,867	42
Illinois	11.2	23	133,708	2.6%	10	886,344	5	99,213	7
Indiana	8.7	40	138,885	2.7%	8	410,884	16	44,313	15
Iowa	8.3	43	53,434	1.0%	23	140,729	34	20,656	31
Kansas	9.4	36	35,808	0.7%	35	140,403	35	8,865	45
Kentucky	13.1	15	77,658	1.5%	19	450,102	14	30,053	28
Louisiana	17	4	60,704	1.2%	22	588,458	11	39,474	19
Maine	11.3	22	26,039	0.5%	40	111,147	36	9,972	41
Maryland	7.3	49	65,565	1.3%	21	228,329	29	42,533	17
Massachusetts	9.6	32	108,068	2.1%	14	242,542	27	40,302	18
Michigan	10.3	27	201,695	3.9%	5	750,037	7	99,295	6
Minnesota	6.5	50	94,584	1.8%	16	216,960	30	43,602	16
Mississippi	17.6	3	40,434	0.8%	32	324,852	22	32,753	25
Missouri	9.6	32	118,753	2.3%	13	515,006	13	51,655	14
Montana	13.7	12	16,440	0.3%	44	63,347	44	11,011	36
Nebraska	9.5	34	25,500	0.5%	41	88,459	40	11,255	35
Nevada	8.3	43	27,640	0.5%	39	97,035	38	9,861	43
New Hampshire	5.6	51	14,499	0.3%	45	41,053	47	6,526	49
New Jersey	7.8	47	102,657	2.0%	15	319,799	23	83,543	9
New Mexico	17.8	2	47,338	0.9%	26	170,457	32	18,220	34
New York	14	11	412,530	8.0%	2	1,346,644	3	235,701	2
North Carolina	13.1	15	91,084	1.8%	18	574,369	12	59,375	12
North Dakota	11.9	20	8,344	0.2%	48	36,781	50	8,208	46
Ohio	10.1	30	190,998	3.7%	6	734,679	8	126,096	5
Oklahoma	14.7	8	36,923	0.7%	34	316,684	24	38,294	22
Oregon	11.2	23	40,916	0.8%	31	359,138	19	53,690	13
Pennsylvania	9.2	39	210,595	4.1%	4	766,615	6	129,387	4
Rhode Island	10.3	27	38,957	0.8%	33	71,933	42	6,812	48
South Carolina	13.5	13	50,866	1.0%	25	379,310	17	31,990	26
South Dakota	10.2	29	6,603	0.1%	49	47,663	45	10,857	38
Tennessee	14.2	10	164,823	3.2%	7	598,012	10	38,586	20
Texas	15.3	7	331,363	6.4%	3	1,554,428	2	164,300	3
Utah	9.3	38	19,982	0.4%	42	89,899	39	19,833	32
Vermont	9.9	31	13,407	0.3%	46	39,914	48	10,538	40
Virginia	8.7	40	67,262	1.3%	20	352,172	20	71,922	10
Washington	10.8	25	137,755	2.7%	9	350,373	21	38,557	21
West Virginia	16	6	41,643	0.8%	30	235,736	28	10,870	37
Wisconsin	8.6	42	45,231	0.9%	27	262,310	26	33,785	24
Wyoming	9.5	34	826	0.02%	51	23,530	51	4,454	50

Note: Rank is high to low. When states share the same rank, the next lower rank is omitted.

Sources: (1) U.S. Census Bureau. "Poverty In the United States: 2002." *Current Population Survey*. September 2003. (2) U.S. Department of Health and Human Services, Administration for Children and Families. "Total Number of Recipients for Fiscal Year 2002." February 2003. Welfare reform replaced the Aid to Families with Dependent Children (AFDC) program with Temporary Assistance to Needy Families (TANF) as of July 1, 1997. National total includes 80,021 recipients in U.S. territories (67,413 in Puerto Rico). (3) U.S. Department of Agriculture, Food and Nutrition Services. "Food Stamp Program: Average Monthly Participation." August 2003. (4) U.S. Department of Commerce. "Federal Aid to States for Fiscal Year 2002." May 2003.

Industry Focus

Agriculture

Overview

Like the rest of the economy, agriculture appears to be headed toward a period of relative prosperity. Growth in income will be led by increases in the prices paid for meat. This will especially be of benefit to Utah where the production of livestock and livestock products dominate. This optimistic view, however, must be tempered with the thought that Utah agriculture has been adversely affected by the drought and that recovery will not occur unless precipitation patterns change.

2003 Summary

National. U.S. farm household income is expected to increase about 5% in 2003 compared to 2002. The largest portion of this increase is expected to be the result of income from farming instead of off-farm earnings. However, off-farm sources of income continue to be the primary source of farm household income (about 95% of total farm income was from off-farm sources in 2002). This high percentage indicates the close relationship farming has to the rest of the economy for most farm households. This relationship is further illustrated by a recent USDA study that found that "…nonfarm assets accounted for about 22% of farm household assets, while borrowing for nonfarm purposes was 36% of household debt." This study also found that on average farm households had higher incomes, greater net worth, and lower consumption expenditures than other U.S. households.[1] All of this suggests that agriculture is relatively healthy and is improving.

Cash income from farming is expected to rise to about $65 billion in 2003, which will surpass the previous high that occurred in 1997. A major portion of this increase will be due to higher prices for meat animals and poultry. This will be especially important in Utah because the production of livestock and livestock products are the dominant forces affecting Utah agriculture. Two factors that could dampen these prospects are the value of the dollar relative to the yen and/or the potential for the discovery of BSE that has devastated the Canadian beef industry. The U.S. currently exports a large portion of its production of beef and pork with nearly 50% of all pork exports and nearly one-third of all beef exports going to Japan. The Japanese market is important to Utah producers and has to be carefully considered in evaluating the prospects for the future.

State. Any discussion of agriculture in Utah over the last few years has to consider the impact of drought. This impact is clearly shown in the data for farm receipts which declined by nearly $100 million in 2002 when compared to 2001. The lack of moisture also limited production of crops and forage in most areas of the state in 2003. As a result, production of most crops was down in 2003. For example, barley production in Utah was projected to decline by 28% in 2003 when compared to 2002. Some dry farmers have found it unprofitable to either plant or harvest wheat on some lands. Ranchers have also been forced to sell cows as a result of reductions in the amount of forage that grazing lands have produced. The low levels of production resulted in significant disaster payments to farmers. For example, USDA's Farm Service Agency reported that more than $9 million had been paid to Utah producers as of October 2, 2003 for crop losses that occurred in 2001 or 2002. The largest payments were made to producers in Box Elder, Utah, Duchesne, Millard, San Juan, Sanpete, and Uintah counties (more than a half million dollars were paid to producers in each of these counties). These payments will bolster farm income in 2003, but not as much as plentiful moisture in the form of rain or snow.

Declines in production were, however, partially offset by higher prices for some commodities. For example, many livestock producers were able to sell calves at prices that were at an all time high in the fall of 2003. Grain prices have also strengthened a little. However, the price of hay has declined from the record levels that existed during the winter of 2002-2003 to levels that are now close to historic norms.

While farm income declined in 2002, the financial position of agriculture remains strong. The value of farm assets continues to increase faster than debt. Most of this increase has occurred as a result of rapidly rising values for real estate (the value of farm real estate more than doubled between 1990 and 2002). A major force behind this increase is the demand for housing and rural properties/residences. This pressure to convert farmland to other uses is a major concern to farmers, ranchers, and those who strive to maintain open space, especially along the Wasatch Front.

Regional/Sector. Dry land crop production and dairying have faced the biggest challenges during 2002 and 2003, but the reasons for the challenges are very different. Drought in Utah has limited production of most grains, especially winter wheat. This would not have been as big of a problem had grain production been limited in other areas of the United States. However, many areas of the Midwest have had abundant precipitation which has resulted in near record levels of production and prices that have not increased as much as farmers in Utah hoped.

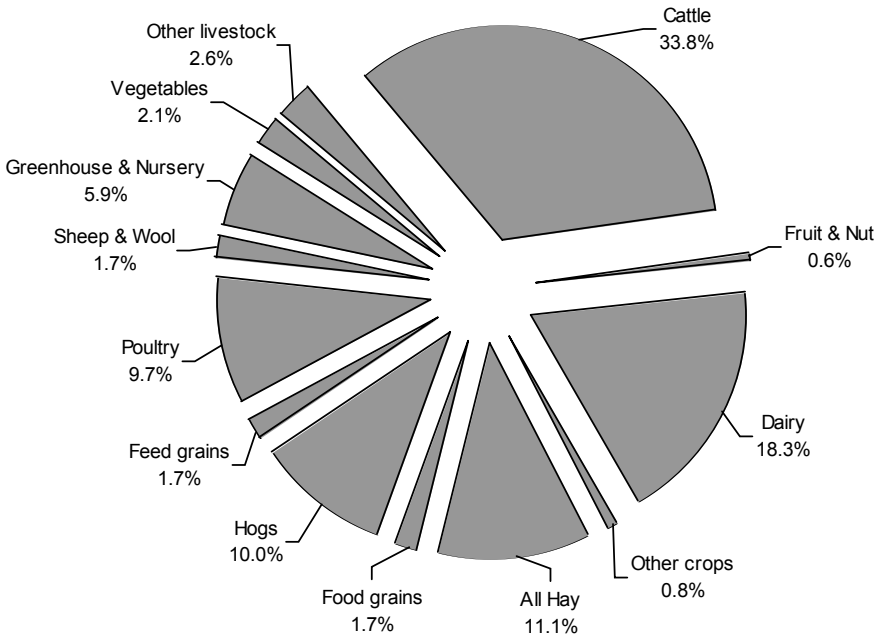
Dairy farmers in Utah have faced a different problem. Milk production increased rapidly following the high prices that occurred in 2001. As a result, milk prices plummeted in 2002 and much of 2003 to levels that were lower than had existed for more than two decades. This, coupled with record high prices for hay during the winter of 2002-2003, resulted in low net returns. Government milk loss payments provided some relief for producers when milk prices were especially low. The increased prices for milk that have occurred in the last part of 2003, however, have been especially welcomed.

The increase in the prices for cattle will likely result in record incomes for beef producers who have been able to maintain herd numbers and normal calf crops. Unfortunately, these prices have not been able to offset the losses that occurred as a result of reductions in herd size that were brought about by the drought. These reductions have particularly affected producers in the southern part of Utah and it will be some time before some of these producers will be able to recover.

Some new agriculture-related businesses have the potential to have a positive influence on some producers in Utah. Grains for the Malt-O-Meal plant near Tremonton and malting barley for the newly constructed facilities near Idaho Falls may provide a new opportunity for some grain farmers in northern Utah. The ice cream plant that recently started production near St. George and the milk bottling plant that is under construction near Las Vegas may provided new opportunities for milk production in southern Utah.

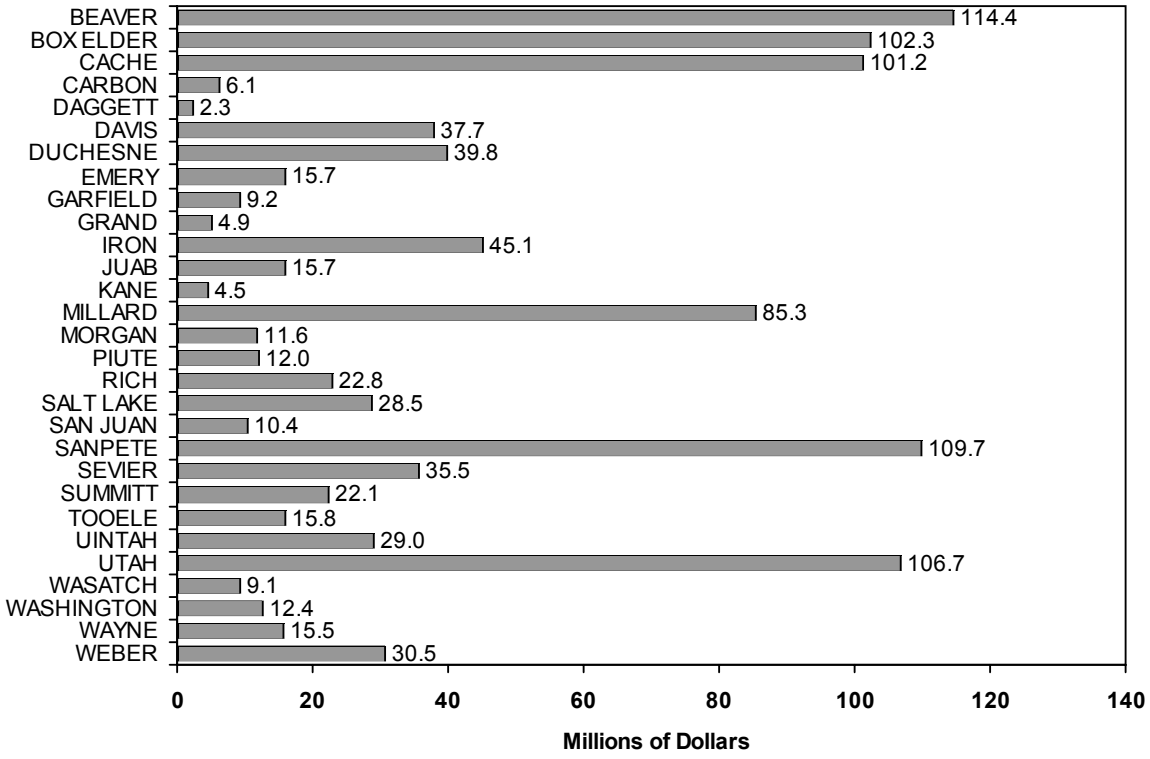
[1] USDA, ERS electronic publication AIS-81.

Figure 51
Utah Cash Receipts by Commodity: 2002



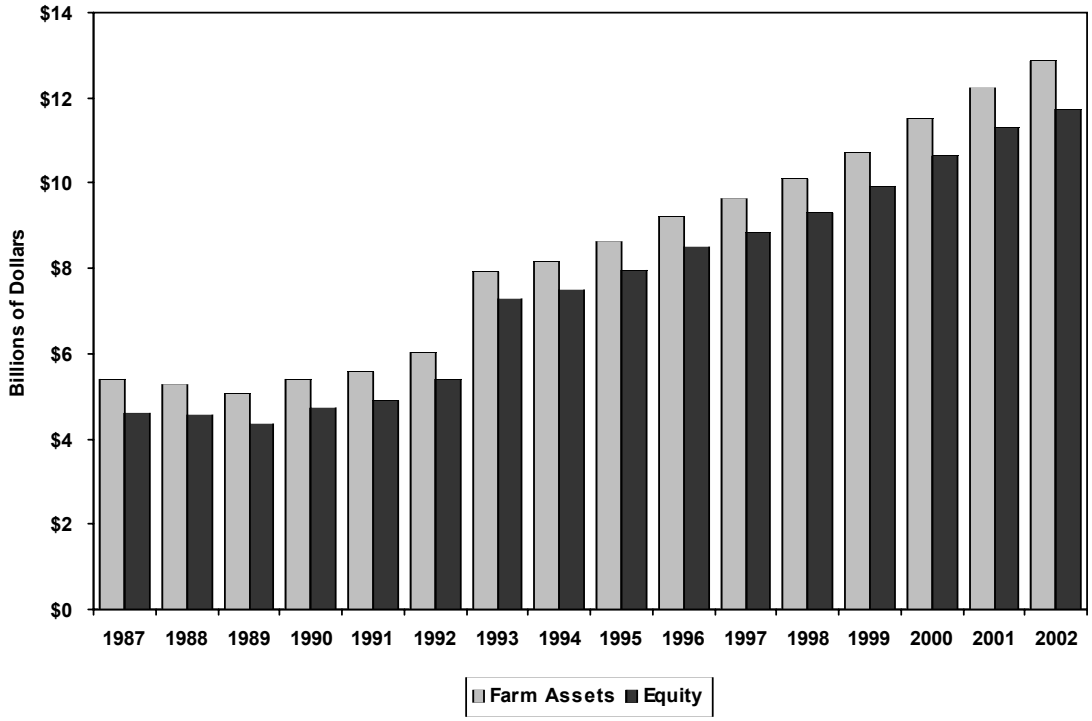
Source: Utah Agricultural Statistics

Figure 52
Farm Cash Receipts by County in Utah: 2002



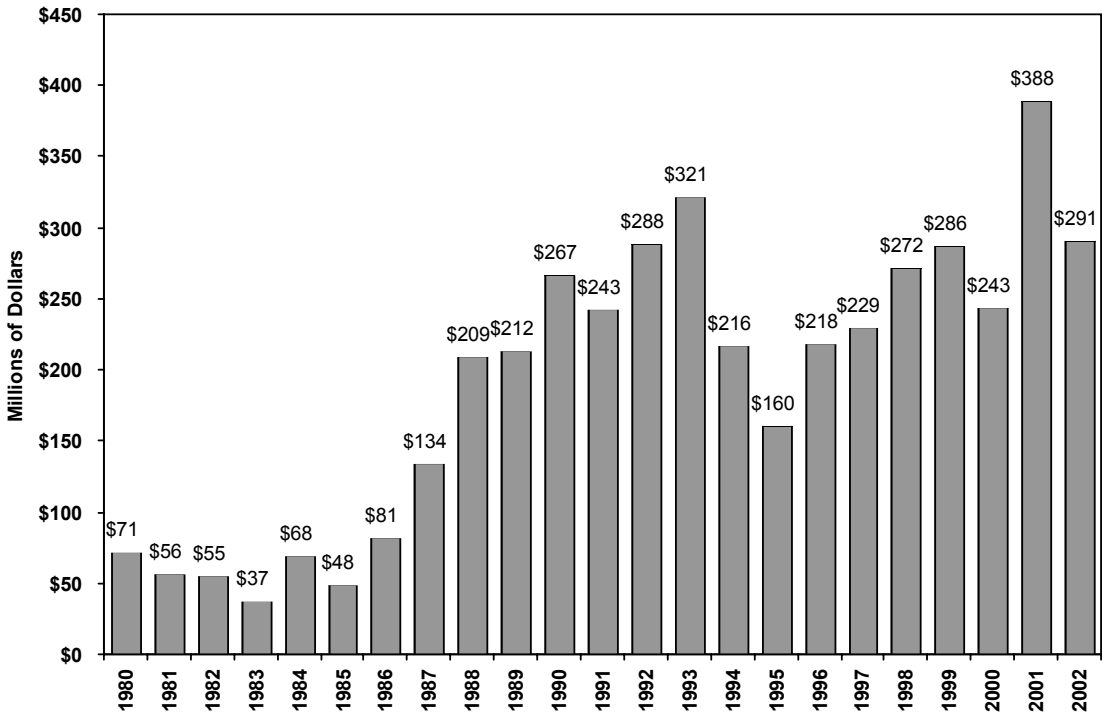
Source: Utah Agricultural Statistics

Figure 53
Farm Assets and Equity in Utah



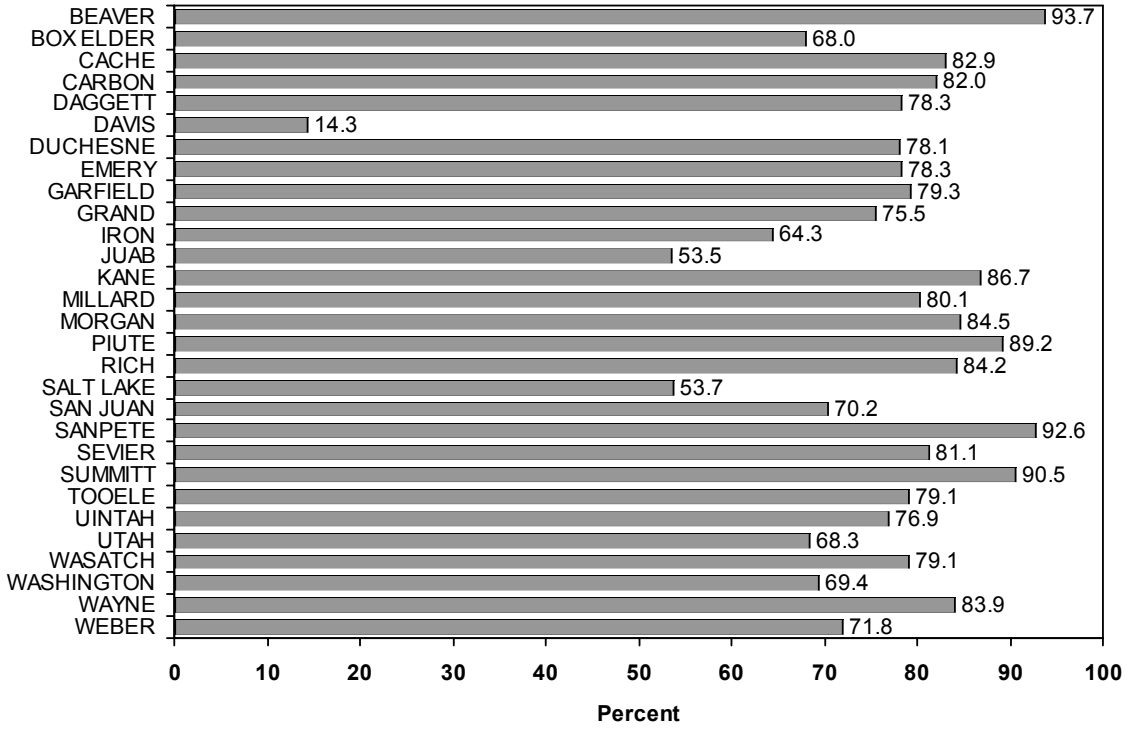
Source: United States Department of Agriculture

Figure 54
Net Farm Income in Utah



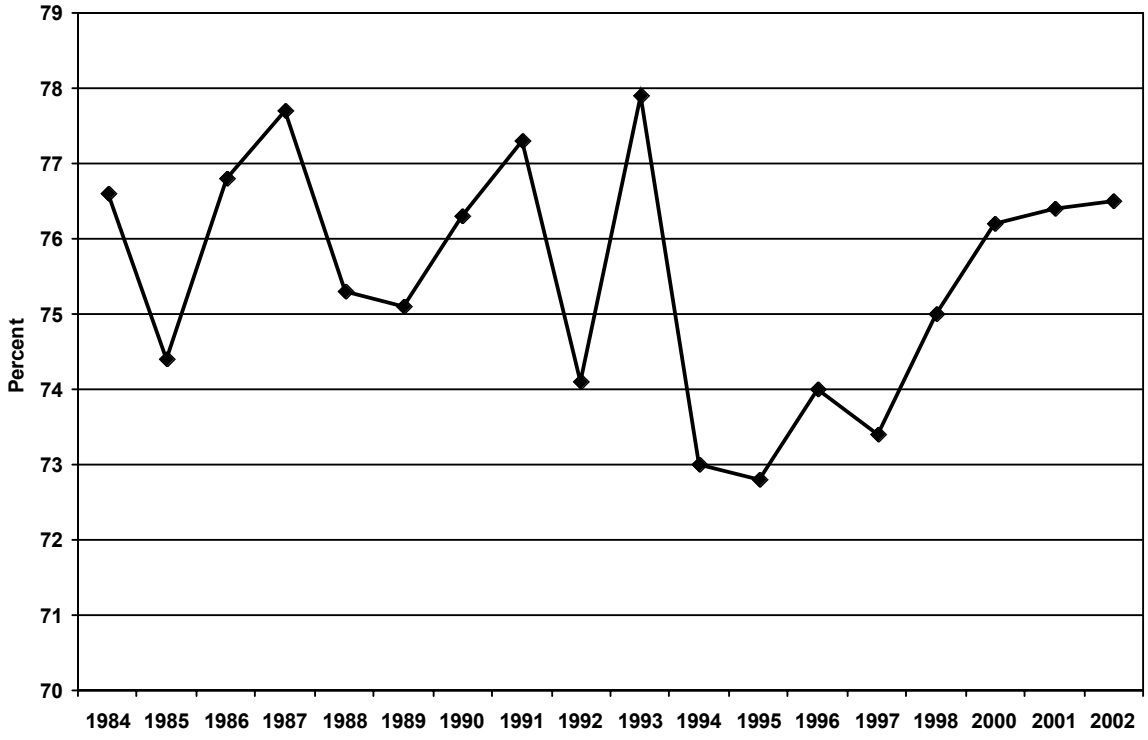
Source: United States Department of Agriculture

Figure 55
Livestock and Livestock Products as a Percentage of Total Cash Receipts by County in Utah: 2002



Source: United States Department of Agriculture

Figure 56
Livestock Receipts as a Percent of Total Cash Receipts in Utah: 1984-2002



Source: United States Department of Agriculture

Table 60
Farm Balance Sheet for Utah (Millions of Dollars)

Category	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Assets	5,406.3	5,585.4	6,036.3	7,938.2	8,158.6	8,630.6	9,201.2	9,624.9	10,107.8	10,653.4	11,436.5	12,219.6	12,686.9
Real Estate	4,160.1	4,433.6	4,841.2	6,706.5	6,956.3	7,250.2	7,776.2	8,045.3	8,523.9	8,972.5	9,720.2	10,467.9	10,966.4
Livestock and Poultry	582.7	566.3	637.9	626.9	626.4	511.0	553.4	625.3	586.9	684.2	745.3	794.9	758.9
Machinery & motor vehciles	440.5	441.0	428.4	457.4	465.7	486.7	490.5	543.3	549.9	584.2	588.1	578.1	583.9
Crops	114.6	95.2	90.3	117.7	114.7	101.2	121.0	150.9	147.7	126.0	127.3	123.9	112.5
Purchased inputs	15.5	17.5	27.2	29.3	36.3	22.6	24.4	27.5	28.3	22.6	27.5	23.6	31.6
Financial	92.9	31.8	11.2	393.0	-40.8	258.9	235.7	232.5	271.2	263.9	228.1	231.1	233.7
Claims	661.9	660.8	618.8	616.6	634.9	655.0	678.4	730.3	752.7	787.1	884.8	897.8	933.1
Real estate debt	372.7	355.8	317.6	306.4	305.4	314.9	319.8	342.9	348.4	376.0	456.7	450.5	485.5
Non real estate debt	289.2	305.0	301.2	310.3	329.4	340.1	358.6	387.6	404.3	411.1	428.1	447.3	447.7
Equity	4,744.4	4,924.6	5,417.5	7,321.6	7,523.8	7,975.6	8,522.8	8,894.6	9,355.1	9,866.3	10,551.7	11,321.7	11,753.8
Debt/Equity	14.0	13.4	11.4	8.4	8.4	8.2	8.0	8.2	8.0	8.0	8.4	8.2	7.9
Number of farms	13,200	13,300	13,200	14,500	14,500	15,000	15,000	15,000	15,000	15,500	15,500	15,000	15,000

Source: USDA, ERS

Table 61
Percent of Agricultural Receipts by Sector

	1980	1985	1990	1995	1996	1997	1998	1999	2000	2001	2002
Cattle & Calves	30.0	28.3	37.7	31.8	27.5	33.2	31.0	32.8	34.5	33.5	33.8
Sheep/Lambs/Wool	4.3	4.5	2.1	3.3	3.1	2.1	2.1	2.1	2.1	1.5	1.9
Hogs	1.0	0.5	0.7	0.7	1.8	4.0	5.0	5.7	9.7	9.5	10.0
Dairy	24.3	25.1	21.8	22.1	24.7	20.4	23.6	23.2	18.4	21.2	18.3
Poultry	8.4	11.7	9.5	8.4	8.2	7.7	7.2	7.7	8.0	7.9	9.7
Misc livestock	5.2	4.6	4.5	5.8	7.7	4.7	4.7	3.0	3.3	2.8	2.8
Food grains	5.8	4.9	2.5	3.9	4.2	3.1	2.6	2.3	1.9	1.7	1.7
Feed grains	2.6	3.1	2.0	3.1	3.5	2.4	2.0	1.8	1.6	1.2	1.3
Hay	8.0	6.6	9.1	10.3	8.7	11.8	10.8	10.4	9.7	11.4	11.1
Vegtables	2.8	3.1	4.1	2.8	2.5	2.5	2.5	2.1	2.1	2.0	2.1
Fruits/Nuts	2.9	3.6	1.5	1.1	1.7	1.4	1.5	1.0	1.8	0.9	0.6
Greenhouse/Nursery	2.5	2.6	3.3	4.9	4.7	5.3	5.9	6.6	5.9	5.6	5.9
Other crops	2.2	1.4	1.2	1.8	1.7	1.4	1.1	1.3	1.0	0.8	0.8
Total	100	100	100	100	100	100	100	100	100	100	100

Source: Utah Agricultural Statistics

Table 62
Cash Receipts by Source in Utah Counties (Millions of Dollars)

	1990			1992			1994			1996		
COUNTY	Livestock	Crops	TOTAL	Livestock	Crops	Total	Livestock	Crops	Total	Livestock	Crops	Total
BEAVER	17.1	3.9	21.0	17.8	2.8	20.6	18.5	4.3	22.8	24.7	4.3	29.0
BOX ELDER	47.3	26.4	73.7	46.0	30.5	76.5	49.6	35.4	85.0	55.8	39.4	95.2
CACHE	78.6	13.4	92.0	80.0	13.7	93.7	83.1	17.4	100.5	86.2	22.1	108.3
CARBON	4.3	0.6	4.9	3.5	0.5	4.0	4.0	0.7	4.7	4.2	0.8	5.0
DAGGETT	1.7	0.2	1.9	1.0	0.3	1.3	1.0	0.5	1.5	0.9	0.4	1.3
DAVIS	12.4	22.4	34.8	11.8	29.7	41.5	12.6	25.8	38.4	14.5	22.2	36.7
DUCHESNE	26.0	4.4	30.4	25.3	3.5	28.8	26.7	6.3	33.0	29.5	6.5	36.0
EMERY	10.6	2.0	12.6	10.8	1.5	12.3	10.4	2.3	12.7	11.0	2.0	13.0
GARFIELD	7.7	1.2	8.9	7.0	0.9	7.9	6.5	1.4	7.9	7.0	1.2	8.2
GRAND	2.1	0.6	2.7	1.6	0.7	2.3	1.6	0.8	2.4	1.5	0.5	2.0
IRON	12.1	9.7	21.8	10.5	10.5	21.0	11.5	12.5	24.0	12.1	10.8	22.9
JUAB	5.3	2.9	8.2	5.1	2.7	7.8	5.4	3.9	9.3	5.1	4.6	9.7
KANE	4.0	0.4	4.4	3.7	0.4	4.1	4.3	0.6	4.9	3.9	0.5	4.4
MILLARD	27.8	21.5	49.3	24.4	16.5	40.9	24.5	21.0	45.5	35.8	24.2	60.0
MORGAN	11.5	1.3	12.8	10.9	1.0	11.9	10.5	1.4	11.9	12.3	1.7	14.0
PIUTE	7.0	1.0	8.0	6.4	0.9	7.3	7.7	1.2	8.9	8.2	1.1	9.3
RICH	17.1	1.7	18.8	16.7	2.2	18.9	16.4	4.0	20.4	16.6	3.6	20.2
SALT LAKE	23.1	9.0	32.1	24.6	13.7	38.3	33.0	13.0	46.0	37.9	11.8	49.7
SAN JUAN	8.1	1.6	9.7	7.0	2.7	9.7	9.5	3.5	13.0	7.8	2.0	9.8
SANPETE	75.7	4.7	80.4	70.7	3.8	74.5	70.2	6.5	76.7	74.3	6.7	81.0
SEVIER	24.1	4.2	28.3	25.4	3.2	28.6	30.5	5.0	35.5	31.0	5.4	36.4
SUMMITT	15.6	0.9	16.5	13.5	0.9	14.4	15.1	1.4	16.5	14.5	1.2	15.7
TOOELE	8.7	2.9	11.6	7.4	3.0	10.4	7.5	3.4	10.9	8.2	3.7	11.9
UINTAH	20.2	3.9	24.1	19.2	3.2	22.4	21.2	4.3	25.5	17.3	4.9	22.2
UTAH	56.5	22.5	79.0	58.7	32.0	90.7	61.6	29.2	90.8	70.2	30.8	101.0
WASATCH	9.9	1.3	11.2	9.5	1.3	10.8	9.0	1.5	10.5	9.4	1.6	11.0
WASHINGTON	7.6	6.0	13.6	6.9	4.3	11.2	7.7	4.8	12.5	6.9	4.0	10.9
WAYNE	8.6	1.5	10.1	8.7	1.2	9.9	8.0	1.5	9.5	11.0	1.8	12.8
WEBER	25.4	6.6	32.0	23.8	7.3	31.1	30.0	7.7	37.7	28.3	7.2	35.5
TOTAL	576.1	178.7	754.8	557.9	194.9	752.8	597.6	221.3	818.9	646.1	227.0	873.1

	1998			2000			2001			2002		
COUNTY	Livestock	Crops	Total	Livestock	Crops	Total	Livestock	Crops	Total	Livestock	Crops	Total
BEAVER	63.3	5.8	69.1	118.7	5.7	124.4	110.8	7.2	118.0	107.2	7.2	114.4
BOX ELDER	61.9	37.3	99.2	67.4	32.6	100.0	76.2	33.9	110.1	69.6	32.7	102.3
CACHE	93.2	17.8	111.0	83.4	16.7	100.1	100.7	17.1	117.8	83.9	17.3	101.2
CARBON	4.8	1.1	5.9	4.9	1.1	6.0	4.9	1.2	6.1	5.0	1.1	6.1
DAGGETT	1.9	0.6	2.5	1.6	0.5	2.1	1.8	0.7	2.5	1.8	0.5	2.3
DAVIS	9.8	29.1	38.9	5.0	30.1	35.1	6.0	32.6	38.6	5.4	32.3	37.7
DUCHESNE	30.1	8.0	38.1	32.5	7.7	40.2	34.5	9.5	44.0	31.1	8.7	39.8
EMERY	11.8	3.4	15.2	12.2	3.2	15.4	12.9	3.7	16.6	12.3	3.4	15.7
GARFIELD	8.3	1.8	10.1	8.5	1.7	10.2	8.6	2.2	10.8	7.3	1.9	9.2
GRAND	6.2	1.1	7.3	3.7	1.2	4.9	3.4	1.3	4.7	3.7	1.2	4.9
IRON	17.8	12.8	30.6	16.8	13.3	30.1	30.1	16.7	46.8	29.0	16.1	45.1
JUAB	10.8	4.0	14.8	8.2	3.3	11.5	8.8	7.6	16.4	8.4	7.3	15.7
KANE	4.3	0.5	4.8	4.1	0.5	4.6	4.3	0.6	4.9	3.9	0.6	4.5
MILLARD	49.9	22.2	72.1	55.5	16.3	71.8	66.4	18.5	84.9	68.3	17.0	85.3
MORGAN	13.1	1.9	15.0	10.8	1.8	12.6	12.2	1.9	14.1	9.8	1.8	11.6
PIUTE	9.3	1.6	10.9	8.4	1.3	9.7	9.3	1.5	10.8	10.7	1.3	12.0
RICH	19.7	4.4	24.1	21.4	3.8	25.2	22.2	4.4	26.6	19.2	3.6	22.8
SALT LAKE	17.5	11.2	28.7	15.9	12.5	28.4	16.3	13.0	29.3	15.3	13.2	28.5
SAN JUAN	9.0	7.1	16.1	7.9	5.0	12.9	8.6	3.6	12.2	7.3	3.1	10.4
SANPETE	77.3	9.2	86.5	85.3	7.9	93.2	89.3	9.7	99.0	101.6	8.1	109.7
SEVIER	26.7	5.9	32.6	30.7	6.0	36.7	34.9	7.1	42.0	28.8	6.7	35.5
SUMMITT	19.6	2.0	21.6	17.5	1.8	19.3	20.9	2.2	23.1	20.0	2.1	22.1
TOOELE	10.5	3.1	13.6	12.2	3.1	15.3	13.3	3.5	16.8	12.5	3.3	15.8
UINTAH	25.0	6.8	31.8	22.9	6.2	29.1	26.6	7.9	34.5	22.3	6.7	29.0
UTAH	74.6	30.5	105.1	65.5	41.3	106.8	73.5	37.9	111.4	72.9	33.8	106.7
WASATCH	8.4	1.6	10.0	6.5	1.9	8.4	6.8	2.2	9.0	7.2	1.9	9.1
WASHINGTON	9.5	4.0	13.5	8.1	3.7	11.8	9.4	3.9	13.3	8.6	3.8	12.4
WAYNE	12.5	2.1	14.6	12.7	2.2	14.9	13.6	2.7	16.3	13.0	2.5	15.5
WEBER	29.3	7.9	37.2	21.9	8.5	30.4	26.9	9.0	35.9	21.9	8.6	30.5
TOTAL	736.1	244.8	980.9	770.2	240.9	1011.1	853.3	263.1	1116.4	807.8	247.8	1055.6

Source: Utah Agricultural Statistics

Table 63
Personal Income from Farming by County (Thousands of Dollars)

County	1970	1975	1980	1984	1990	1992	1997	1998	1999	2000	2001
Beaver	1,360	776	1,365	1,052	11,295	9,297	11,225	12,723	23,735	37,086	49,440
Box Elder	10,178	11,117	12,101	6,523	30,739	26,769	28,089	30,511	27,915	22,214	24,575
Cache	9,007	10,343	15,569	9,132	29,493	31,862	21,955	27,139	36,402	22,419	36,277
Carbon	275	181	771	772	2,670	964	-2,777	6	-1,926	-2,150	-1,900
Daggett	83	370	636	346	684	710	-97	-151	-113	-304	236
Davis	2,576	2,941	7,499	3,137	16,060	26,746	8,763	9,713	9,577	6,403	9,714
Duchesne	1,617	1,697	3,340	1,830	14,445	11,724	2,930	2,609	1,456	794	6,161
Emery	678	180	432	583	6,840	3,663	1,850	1,817	751	-296	947
Garfield	346	498	949	1,421	5,231	3,320	-322	-485	-452	-853	249
Grand	-2	325	744	321	782	493	82	30	288	-290	-317
Iron	3,135	1,261	1,283	2,075	12,864	7,545	11,254	10,193	15,996	11,879	23,234
Juab	682	492	328	558	4,587	3,959	295	-187	4,770	1,341	3,820
Kane	320	132	382	431	1,913	510	702	585	778	441	705
Millard	2,536	5,665	8,153	8,117	16,592	17,010	13,784	15,326	25,324	17,834	32,178
Morgan	1,728	1,910	2,053	2,255	4,741	3,010	5,106	5,847	7,747	4,179	5,225
Piute	520	760	1,239	1,031	3,050	1,802	2,414	2,873	4,217	2,325	404
Rich	1,980	852	1,217	1,239	6,886	9,158	2,640	2,176	4,564	5,503	1,644
Salt Lake	6,746	7,152	11,474	3,921	12,477	12,978	2,911	3,528	2,684	2,255	2,522
San Juan	1,903	1,686	2,048	3,014	5,902	2,291	1,457	1,178	3,010	-513	0
Sanpete	5,615	3,838	2,139	6,719	19,998	22,014	13,093	16,975	20,064	22,095	25,970
Sevier	3,138	2,193	3,829	9,068	10,583	18,250	11,668	12,809	7,731	9,841	16,762
Summit	2,471	2,001	3,498	2,624	9,074	2,722	4,602	5,390	14,633	9,947	5,485
Tooele	563	1,434	2,152	1,946	6,262	1,818	1,985	1,927	2,064	3,758	5,323
Uintah	1,631	813	3,190	4,774	12,900	6,615	2,229	1,399	4,366	721	5,658
Utah	9,806	8,869	8,620	8,067	23,743	20,412	19,744	22,673	30,506	33,768	28,415
Wasatch	1,282	956	1,486	1,247	4,226	2,264	2,226	2,539	2,186	-272	501
Washington	2,214	1,890	3,031	2,002	4,819	2,051	-582	-736	73	-1,298	-217
Wayne	446	303	917	485	3,241	4,410	2,791	3,385	5,119	4,305	6,103
Weber	4,677	2,302	4,261	2,579	10,762	14,002	1,800	4,220	4,650	741	4,452
State	77,511	72,937	104,706	87,269	292,859	268,369	171,817	196,012	258,115	213,873	297,187

Source: Bureau of Economic Analysis

Residential and Nonresidential Construction

Overview

The value of permit-authorized construction set an all-time record in 2003 of $4.5 billion, up 7% over the previous peak of $4.2 billion (inflation adjusted) in 1999. Residential construction had a phenomenal year with $3 billion in new construction. The number of new dwelling units receiving building permits totaled 22,600 units, which includes new homes, apartments, condominiums, manufactured homes, and cabins. The high level of new construction activity in the residential sector was driven by the lowest mortgage rates in 50 years. New home construction in 2003 totaled 16,500 units, which ranks second to the all-time high of 17,400 new homes in 1977. Condominium construction had the best year since the late 1970s, as it captured over 10% of the residential market. While the residential sector was at or near record pace, the nonresidential sector also showed some improvement. Total nonresidential value for 2003 rose 11.5% to $1 billion.

2003 Summary

Residential Sector. The level of residential construction in Utah was nothing short of spectacular in 2003. For the first time, the value of residential construction exceeded $3 billion, 20.0% higher than the previous record set in 1999 of $2.5 billion (inflation adjusted). The extraordinary demand for new homes was driven almost entirely by the lowest mortgage rates since the 1950s. Mortgage rates were below 6% for most of 2003 and averaged a full percent point below rates in 2002. Low mortgage rates more than offset the negative effects on the housing market of no job growth and a relatively modest level of net in-migration.

The residential sector's two broad categories of building types both experienced much higher levels of activity in 2003. New home construction was up 20.5%, while new multifamily construction was up 27.7%. New home construction continues to dominate residential construction. In 2003, new detached single-family units outnumbered multifamily units by about three to one. The number of single-family units receiving building permits was just over 16,500 units, while the number of new multifamily units reached 5,300 units. A third, but small, category of building type is manufactured homes/cabins, which had 800 new units in 2003, down nearly 14% compared to 2002.

New home construction is highly concentrated in Utah, with a few communities capturing most of the new construction activity. Half of all new home construction in 2003 was located in Salt Lake and Utah counties. After a brief challenge in 2002 from Utah County, Salt Lake County has regained its dominant position as the leading location for new home construction. Salt Lake County had 4,500 new single-family homes in 2003, compared to 3,500 in Utah County. West Jordan led all cities in new home construction. In 2003, West Jordan issued building permits to nearly 1,100 new detached single-family homes. St. George ranked second in new home construction with nearly 1,000 new detached single-family homes. The cities of Herriman, Syracuse, and Lehi round out the top five ranked cities in new home construction.

New multifamily construction (apartments and condominiums) rebounded in 2003 with a 27.7% increase over 2002. The increase in multifamily activity is due to a surge in new condominium construction. Condominium units account for half of all multifamily activity, or about 2,600 new units. Salt Lake County was the location for one out of every two new condominiums. A significant share of the remaining condominium units were spread between Utah, Washington, and Summit counties. The largest condominium project was Pheasant Springs located in Pleasant Grove.

In 2003, only 2,700 new apartment units were added to the rental inventory in the state. These new units amount to an increase of 1.3% of the rental inventory. Nearly half of these new rental units were low income tax credit units targeted for moderate to low income renter households. There were three large apartment projects started in 2003: (1) Sunset Ridge in West Jordan (258 units), (2) Liberty Hills in Draper (246 units), and (3) Copper Gate in Sandy City (192 units).

The very modest level of new apartment construction reflects the weak market conditions for new rental units. In the first half of 2003, vacancy rates were near 10% in many of the Wasatch Front's rental markets. While vacancy rates have risen, rental rates have remained almost unchanged over the past three or four years and landlords continue to offer move-in specials and concessions to entice new renters. These weak market conditions cannot be attributed to over building, but rather were caused primarily by low mortgage rates which persuaded renters to become homeowners leaving some landlords desperate for new renters.

Nonresidential Construction. New nonresidential permit authorized construction increased by $100 million in 2003, rising from $900 million in 2002 to $1 billion in 2003. Late in the year, the permit for Utah Power's (Pacificorp) new $200 million Current Creek power plant in Mona turned what looked like another year of decline into a year of modest increase. Despite the slight gain of 2003, the nonresidential sector will continue to be hampered by excess capacity in hotels, office, industrial, and retail space. The vacancy rate for office and industrial buildings is in the double digit range, which is bound to discourage new development in these sectors for the next 12 to 24 months.

In the face of relatively weak market conditions, Wal-Mart has been exceptionally aggressive in building new Supercenters as well as a new distribution center in Tooele County. The building permit value of Wal-Mart's seven new Supercenters and distribution center was $121 million, which amounts to 12% of all permit authorized nonresidential construction in the state. Wal-Mart's distribution center had a construction value of $55 million making it the largest permit authorized nonresidential project in 2003. Other large nonresidential projects include: Current Creek Power Plant, a gas fired 525 megawatt electric power plant ($200 million); University of Utah Orthopedic Center ($19 million); the Stampin' Up headquarters building in Riverton ($17.5 million); Logan City jail ($13 million); and an office building in Sandy City ($12.8 million).

A review of nonresidential construction by type of use shows that for the eight major categories of use--churches, industrial, office, retail, public, hotels, hospitals, and other--performance for seven of the eight categories in 2003 was below the five-year average. Only the retail sector in 2003 outperformed the five-year average, due to Wal-Mart construction and the Current Creek power plant.

Conclusion

Total construction valuation in Utah in 2003 was $4.5 billion, which included $3.0 billion in residential construction; $1 billion in nonresidential construction; and $500 million in additions, alterations, and repairs.

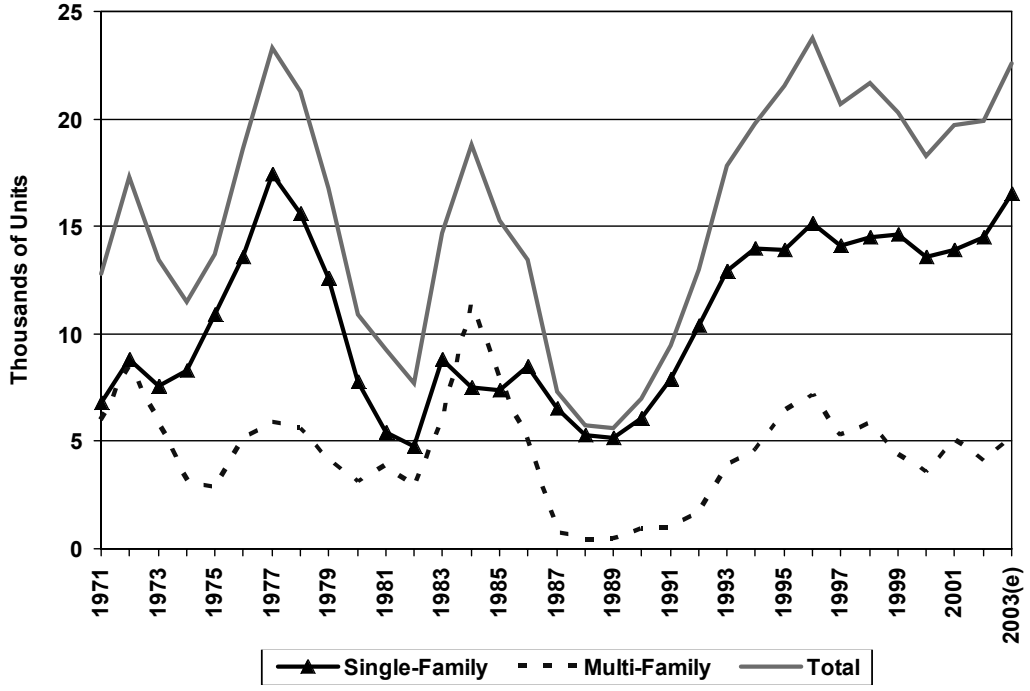
Residential construction activity was extraordinary despite no job growth and modest net in-migration, finishing 2003 with 22,600 units. The single most important factor contributing to the strength of the residential sector was low mortgage rates, which were below 6% most of the year.

Multifamily units accounted for about one out of every four new dwelling units, and condominiums accounted for nearly half of all multifamily units.

New apartment construction totaled 2,700 units, a relatively modest number. New apartment construction has been constrained by weak market conditions (rising vacancy rates and sluggish rental rates).

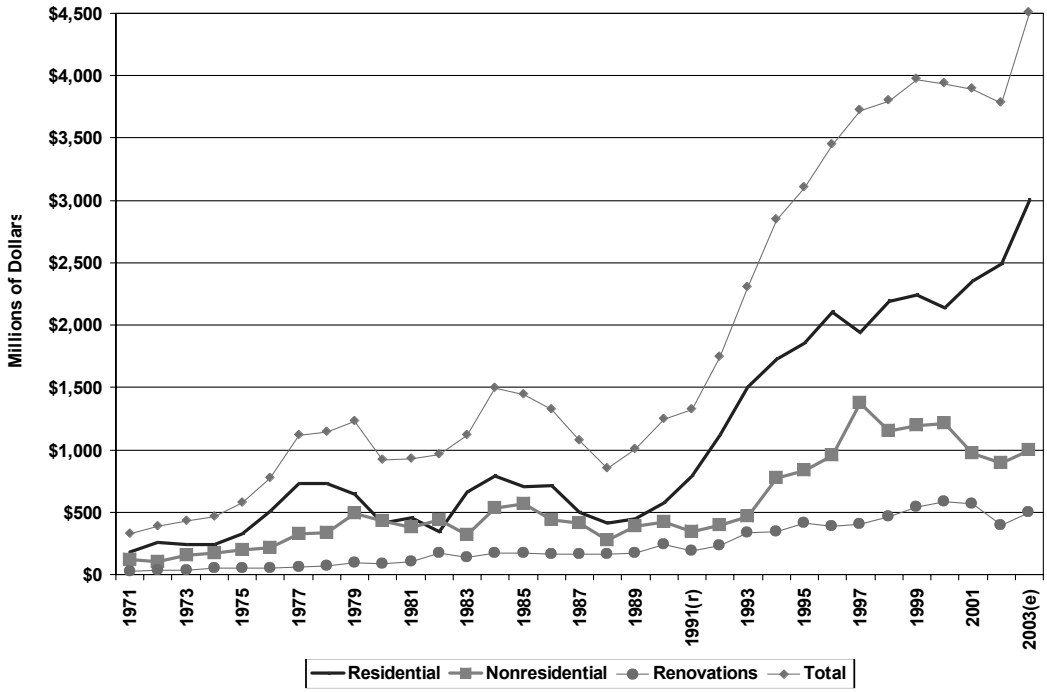
Compared to 2002, the value of nonresidential construction rose 11.5% in 2003. The value of permit authorized non-residential construction in 2003 was $1 billion. New construction by Wal-Mart accounted for 12% of new nonresidential construction and Utah Power's Current Creek plant accounted for an additonal 20% in 2003.

Figure 57
Utah Residential Construction Activity



Source: University of Utah, David Eccles School of Business, Bureau of Economic and Business Research

Figure 58
Value of New Construction



Source: University of Utah, David Eccles School of Business, Bureau of Economic and Business Research

Table 64
Residential and Nonresidential Construction Activity in Utah

Year	Single-Family Units	Multi-Family Units	Mobile Homes/ Cabins	Total Units	Value of Residential Construction (millions)	Value of Nonresidential Construction (millions)	Value of Add., Alt., and Repairs (millions)	Total Valuation (millions)
1970	5,962	3,108	na	9,070	$117.0	$87.3	$18.0	$222.3
1971	6,768	6,009	na	12,777	176.8	121.6	23.9	322.3
1972	8,807	8,513	na	17,320	256.5	99.0	31.8	387.3
1973	7,546	5,904	na	13,450	240.9	150.3	36.3	427.5
1974	8,284	3,217	na	11,501	237.9	174.2	52.3	464.4
1975	10,912	2,800	na	13,712	330.6	196.5	50.0	577.1
1976	13,546	5,075	na	18,621	507.0	216.8	49.4	773.2
1977	17,424	5,856	na	23,280	728.0	327.1	61.7	1,116.8
1978	15,618	5,646	na	21,264	734.0	338.6	70.8	1,143.4
1979	12,570	4,179	na	16,749	645.8	490.3	96.0	1,232.1
1980	7,760	3,141	na	10,901	408.3	430.0	83.7	922.0
1981	5,413	3,840	na	9,253	451.5	378.2	101.6	931.3
1982	4,767	2,904	na	7,671	347.6	440.1	175.7	963.4
1983	8,806	5,858	na	14,664	657.8	321.0	136.3	1,115.1
1984	7,496	11,327	na	18,823	786.7	535.2	172.9	1,494.8
1985	7,403	7,844	na	15,247	706.2	567.7	167.6	1,441.5
1986	8,512	4,932	na	13,444	715.5	439.9	164.1	1,319.5
1987	6,530	755	na	7,305	495.2	413.4	166.4	1,075.0
1988	5,297	418	na	5,715	413.0	272.1	161.5	846.6
1989	5,197	453	na	5,632	447.8	389.6	171.1	1,008.5
1990	6,099	910	na	7,009	579.4	422.9	243.4	1,245.7
1991(r)	7,911	958	572	9,441	791.0	342.6	186.9	1,320.5
1992	10,375	1,722	904	13,001	1,113.6	396.9	234.8	1,745.3
1993	12,929	3,865	1,010	17,804	1,504.4	463.7	337.3	2,305.4
1994	13,947	4,646	1,154	19,747	1,730.1	772.2	341.9	2,844.2
1995	13,904	6,425	1,229	21,558	1,854.6	832.7	409.0	3,096.3
1996	15,139	7,190	1,408	23,737	2,104.5	951.8	386.3	3,442.6
1997	14,079	5,265	1,343	20,687	1,943.5	1,370.9	407.1	3,721.6
1998	14,476	5,762	1,505	21,743	2,188.7	1,148.4	461.3	3,798.4
1999	14,561	4,443	1,346	20,350	2,238.0	1,195.0	537.0	3,971.0
2000	13,463	3,629	1,062	18,154	2,140.1	1,213.0	583.3	3,936.0
2001	13,851	5,089	735	19,675	2,352.7	970.0	562.8	3,885.4
2002	14,466	4,149	926	19,941	2,491.0	897.0	393.0	3,782.0
2003 (e)	16,500	5,300	800	22,600	3,000.0	1,000.0	500.0	4,500.0

r = revised
e = estimate
na = not available

Source: University of Utah, David Eccles School of Business, Bureau of Economic and Business Research, November 2003.

Table 65
Summary of Construction Activity in Utah

Type of Construction	2002	2003(e)	% Change 2002-2003
Total Construction Value	$3.78 billion	$4.50 billion	19.0%
Residential Value	$2.49 billion	$3.00 billion	20.5%
Total Dwelling Units	19,941	22,600	13.3%
Single Family Units	14,466	16,500	14.1%
Multifamily Units	4,149	5,300	27.7%
Mobile Homes/Cabins	926	800	-13.6%
Nonresidential Value	$897 million	$1 billion	11.5%
Additions, Alterations, and Repairs	$393 million	$500 million	27.2%

Source: University of Utah, David Eccles School of Business, Bureau of Economic and Business Research, November 2003.

Table 66
Average Annual Mortgage Rates for 30-year Conventional Mortgage for Utah

Year	Mortgage Rates	Year	Mortgage Rates
1967	6.52%	1986	10.18%
1968	7.03%	1987	10.19%
1969	7.82%	1988	10.33%
1970	8.35%	1989	10.32%
1971	7.55%	1990	10.13%
1972	7.38%	1991	9.25%
1973	8.04%	1992	8.40%
1974	9.19%	1993	7.33%
1975	9.04%	1994	8.36%
1976	8.86%	1995	7.95%
1977	8.84%	1996	7.81%
1978	9.63%	1997	7.60%
1979	11.19%	1998	6.95%
1980	13.77%	1999	7.43%
1981	16.63%	2000	8.06%
1982	16.09%	2001	6.97%
1983	13.23%	2002	6.54%
1984	13.87%	2003 (e)	5.80%
1985	12.42%		

e = estimate

Sources: Federal Home Mortgage Corporation and Freddie Mac

Table 67
Housing Prices for Utah: 1980 to Third Quarter 2003

Year	Index	Year-Over Percent Change	Year	Index	Year-Over Percent Change
1980	101.9	(x)	1992	133.6	6.5%
1981	108.9	6.9%	1993	148.2	10.9%
1982	112.1	2.9%	1994	173.1	16.8%
1983	114.3	2.0%	1995	193.2	11.6%
1984	113.7	-0.5%	1996	209.9	8.6%
1985	116.5	2.5%	1997	223.0	6.2%
1986	118.8	2.0%	1998	234.4	5.1%
1987	116.3	-2.1%	1999	236.9	1.1%
1988	113.1	-2.7%	2000	239.3	1.0%
1989	114.8	1.5%	2001	250.3	4.6%
1990	118.7	3.4%	2002	254.4	1.6%
1991	125.4	5.6%	2003 (3Q)	260.3	2.3%

Source: Office of Federal Housing Enterprise Oversight, Housing Price Index, Washington D.C., 2003.

Defense

Overview

Utah's defense industry continued to expand in 2003, due to heightened geopolitical activity. Hill Air Force Base has become the Air Force's "center of excellence" for low-observable technology. This new classification, the result of a prime military contractor relocating to Hill, will help ensure the viability of this large Utah employer. Although the defense industry experienced reductions during most of the 1990s, this trend was reversed in the latter end of the decade. Defense spending in Utah in 2002 totaled $2.47 billion, rising 5.0% from the previous year. Increased defense activity is expected to continue in 2004, as a result of military involvement overseas.

Trends

Nationwide, as a percent of gross domestic product (GDP), defense spending was 2.4% in 2000, 2.5% in 2001 and 2.6% in 2002. In Utah, total defense spending currently stands at $2.47 billion-which is a 5.0% growth from 2001 and a 96.4% growth from 1997 when defense spending was the lowest in years between 1986 and 2002. As a percent of the Gross State Product (GSP), defense outlays have diminished significantly from the 1980's, with a high of over 8.3% in 1987, to a low of 2.2% in 1998. Lately, however, this has reversed, with a rate of 2.8% in 2000, 3.3% in 2001 and 3.4% in 2002.

Contracting Activity

During the cold war build-up of the mid-1980s, a number of defense contractors in Utah routinely received contracts in the $50 million range on an annual basis. Throughout the 1990s, defense contracts to private firms decreased considerably at both the state and national level. In recent years, however, defense contracting in Utah has increased significantly. Contract awards increased 73.1% in 2000, 34.4% in 2001 and an additional 1.8% in 2002.

The large increase in contracting in recent years can be attributed to TRW Inc. TRW was the state's top contract recipient with $296.5 million in 2000 and $566.7 million in 2001 in prime contract awards. In 2002, TRW merged with Northrop Grumman Corp., making Northrop the largest defense contractor in Utah, and the second largest contractor in the nation. TRW's acquired defense business units now operate as two sectors (mission systems and space technology) and are referred to as Northrop Grumman Space & Mission Systems Corporation. In 2002, this new entity received $758.7 million in prime contract awards in Utah. The remaining top nine contractors in the state averaged $42.9 million in 2002. These contractors include L-3 Communications, Northrop Grumman Corp., Chevron Texaco Corp., Wasatch Energy, LLC., URS Corp., Alcoa Inc., Utah State University Research, Lockheed Martin Corp., and Evans & Sutherland Cmpt Corp.

Geographic Distribution

Federal defense spending in Utah is concentrated in Davis (59.7% of the state's defense spending in 2002), Salt Lake (24.2%), Tooele (4.9%), and Weber (3.3%) counties, though significant spending occurs in Utah (1.8%), Washington (1.5%), Cache (1.5%), and Box Elder (1.2%) counties.

Military Facilities

Hill Air Force Base, one of the state's largest basic employers and center of Utah's defense industry, has for years had the looming possibility of base closures as threat to its survival. Developments over the past several years may serve to ease that possibility. In 1999, Hill was selected as headquarters for one of ten "expeditionary" forces to be used for quick deployment to trouble areas around the world. This selection has brought the 388th fighter wing up to full strength for the first time since military downsizing began about a decade ago.

Additionally, because of military downsizing in other parts of the country, Hill has become the home of Northrup Grumman Corp., the prime contractor for the military's B-2 stealth bomber. The move helped make Hill the Air Force's new "center of excellence" for low-observable technology.

On the other hand, as the Air Force moves to the new F-22 fighter the 388th's future may be less assured. Hill maintains the older F-16, which is the fighter used by the 388th unit.

Defense Depot Ogden (DDO) was designated for closure by the Defense Base Closure and Realignment Commission (BRAC) in 1995, and was officially closed in September 1997 after 56 years of operation. Most of the property is being obtained by Ogden City and is now referred to as the Business Depot Ogden (BDO). In December 1999 the city approved a 70-year redevelopment project for BDO. Under the terms of the agreement, the city will lease the 1,128 acres to the Boyer Company, who will in turn redevelop the property into a major regional business and industrial park. The lease is for 40 years, with three 10-year renewal options and a long-term buyout option of $22 million. The property will be developed over the next 15 to 20 years and is expected to create approximately 7,000 to 10,000 jobs.

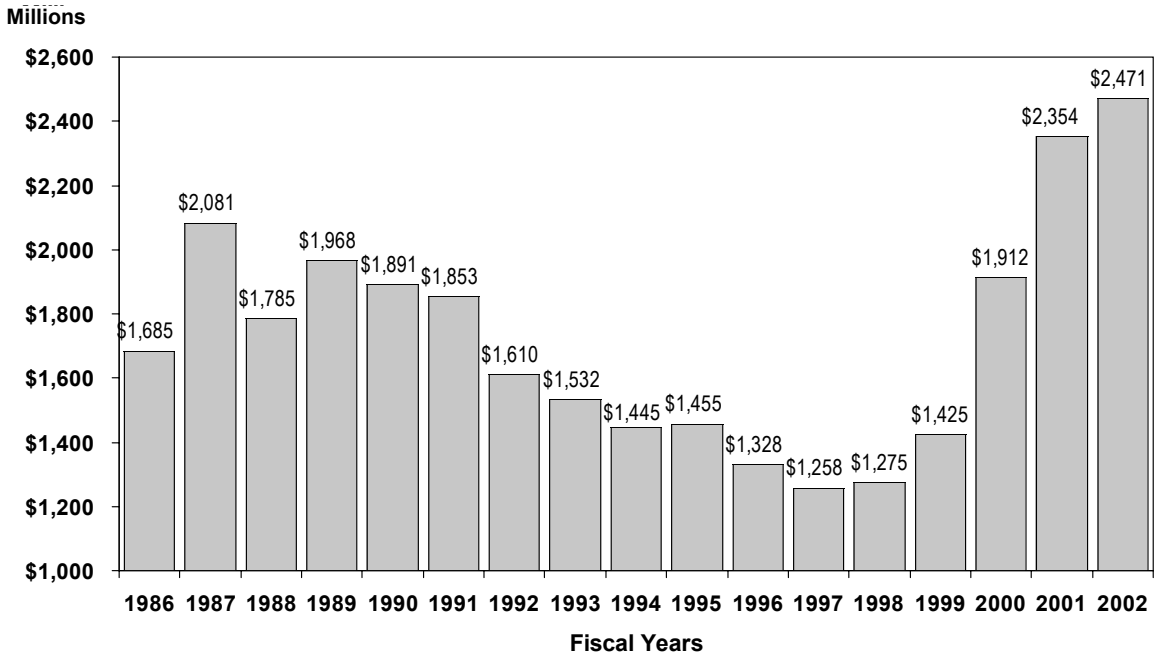
Workforce reductions at Tooele Army Depot (TEAD) have brought the total number of jobs lost to reductions in force and realignment since 1988 to roughly 2,500. The current workforce at TEAD roughly numbers 503 employees. While the loss of jobs at TEAD has been difficult, this is another example of how redevelopment of former military bases can actually help an area's economy. The 1,700 acres that were formerly owned and occupied by TEAD have been transformed to a private developer, who has renamed the area the Utah Industrial Depot (UID). More than 46 businesses or organizations have taken up residency at the depot, which has 2.5 million square feet of existing space. New job projections total more than 3,800 as a result of the redevelopment of this property. IUD currently employs 844 people.

Outlook

In recent years, the United States has spent less than 3% of its GDP on defense. Homeland security and the war on terror warranted increased defense spending in 2002 and 2003 and will likely provide stability in future increases.

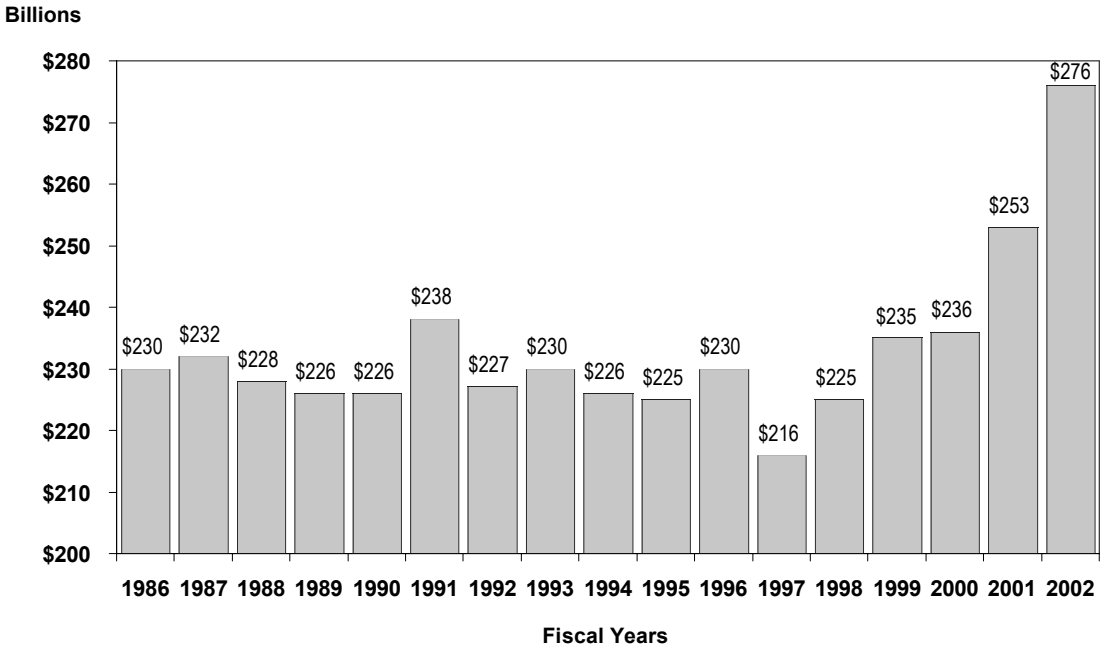
In order to transform the military to accommodate modern needs, future closures of unneeded bases will continue, thereby funneling those costs more efficiently. During the next round of closures scheduled for 2005, it is anticipated that about 100 of the nation's 425 military bases will be closed or realigned. The final selection criteria to be used in making recommendations for closures and realignments is scheduled for February 2004, while the list of the military installations recommended for closure or realignment is due in May 2005. Selected military installations will be terminated in April 2006. Increased operations at Hill Air Force Base have improved the chances of surviving the next round of base closures.

Figure 59
Federal Defense-Related Spending in Utah



Sources: U.S. Department of Commerce, Bureau of the Census; Department of Defense

Figure 60
Primary Federal Defense-Related Spending in the United States



Sources: U.S. Department of Commerce, Bureau of the Census; Department of Defense

Table 68
Federal Defense-Related Spending: Utah Total (Thousands of Current Dollars)

Fiscal Year	Wages and Salaries*	Procurement Contract Awards	Military Retirement	State/ Local Grants	Total**	Gross State Product	Defense Spending as Percent of GSP
1986	$784,567	$805,747	$94,612	$301	$1,685,227	$24,473,000	6.9%
1987	794,294	1,182,097	98,743	5,766	2,080,900	25,202,000	8.3%
1988	817,787	866,782	98,876	1,318	1,784,763	27,244,000	6.6%
1989	870,295	979,116	108,005	10,186	1,967,602	28,713,000	6.9%
1990	890,892	883,014	115,442	1,232	1,890,580	31,359,000	6.0%
1991	922,035	804,404	125,526	598	1,852,563	33,658,000	5.5%
1992	852,772	614,286	134,844	8,431	1,610,333	35,671,000	4.5%
1993	847,053	532,269	146,743	5,932	1,531,997	38,395,000	4.0%
1994	763,608	524,001	152,426	4,514	1,444,549	42,236,000	3.4%
1995	794,333	495,771	161,964	2,845	1,454,913	46,290,000	3.1%
1996	760,514	393,157	171,978	2,849	1,328,498	51,523,000	2.6%
1997	642,492	433,428	180,862	1,212	1,257,994	55,070,000	2.3%
1998	620,622	464,739	189,130	171	1,274,662	59,084,000	2.2%
1999	678,173	548,103	193,157	5,445	1,424,878	62,635,000	2.3%
2000	762,281	948,877	200,412	155	1,911,725	68,430,000	2.8%
2001	867,407	1,275,131	210,903	120	2,353,561	70,409,000	3.3%
2002	957,041	1,297,489	216,120	18	2,470,668	72,052,582	3.4%
Percent Change							
2001 to 2002	10.3%	1.8%	2.5%	-85.0%	5.0%		
1986 to 2002	22.0%	61.0%	128.4%	-94.0%	46.6%		
Absolute Change							
2001 to 2002	$89,634	$22,358	$5,217	($102)	$117,107		
1986 to 2002	$172,474	$491,742	$121,508	($283)	$785,441		

Notes: Numbers in the "State/Local Grants" column are taken from the Census Bureau's *Federal Aid to States for FY 2002*.
* Does not include fringe benefits. ** These totals do not match those in the Federal Defense-Related Spending in Utah by County table because the data sources and concepts are slightly different.

Sources: *Federal Aid to States for FY 2002*; U.S. Department of Commerce, Bureau of the Census. *Consolidated Federal Funds Report FY 2002*; U.S. Department of Commerce, Bureau of the Census. Gross State Product; 1986-01, U.S. Department of Commerce, Bureau of Economic Analysis. 2002, estimated by the Governor's Office of Planning and Budget.

Table 69
Primary U.S. Federal Defense-Related Spending (Selected Categories): All States and Territories (Thousands of Current Dollars)

Fiscal Year	Wages and Salaries*	Procurement Contract Awards	Military Retirement	State/ Local Grants	Total	Gross Domestic Product	Defense Spending as Percent of GDP
1986	$61,900,746	$150,055,345	$17,769,127	$111,366	$229,836,584	$4,452,900,000	5.2%
1987	65,097,948	147,616,385	18,732,723	127,430	231,574,486	4,742,500,000	4.9%
1988	67,270,619	142,175,108	18,640,881	113,637	228,200,245	5,108,300,000	4.5%
1989	72,771,040	132,259,473	20,669,532	172,125	225,872,170	5,489,100,000	4.1%
1990	69,103,253	135,259,039	21,235,041	175,978	225,773,311	5,803,200,000	3.9%
1991	75,254,721	139,570,721	22,669,073	111,454	237,605,969	5,986,200,000	4.0%
1992	73,851,077	129,124,509	24,024,591	223,899	227,224,076	6,318,900,000	3.6%
1993	73,947,670	129,996,047	25,752,104	241,816	229,937,637	6,642,300,000	3.5%
1994	73,470,136	125,982,520	26,478,356	212,466	226,143,478	7,054,300,000	3.2%
1995	71,192,209	126,003,863	27,695,928	244,824	225,136,824	7,400,500,000	3.0%
1996	72,955,074	128,628,822	27,922,897	247,408	229,754,201	7,813,200,000	2.9%
1997	66,719,191	119,858,710	29,595,559	191,715	216,365,175	8,318,400,000	2.6%
1998	67,178,127	126,726,012	30,457,015	171,324	224,532,478	8,781,500,000	2.6%
1999	70,412,959	133,775,555	31,078,737	159,370	235,426,621	9,274,300,000	2.5%
2000	70,009,814	133,830,978	32,110,614	114,372	236,065,778	9,824,600,000	2.4%
2001	70,273,656	149,314,126	33,321,020	163,250	253,072,052	10,082,200,000	2.5%
2002	76,100,377	165,578,660	33,803,849	224,076	275,706,962	10,446,200,000	2.6%
Percent Change							
2001 to 2002	8.3%	10.9%	1.4%	37.3%	8.9%		
1986 to 2002	22.9%	10.3%	90.2%	101.2%	20.0%		
Absolute Change							
2001 to 2002	$5,826,721	$16,264,534	$482,829	$60,826	$22,634,910		
1986 to 2002	$14,199,631	$15,523,315	$16,034,722	$112,710	$45,870,378		

Note: Numbers in the "State/Local Grants" column are taken from the Census Bureau's Federal Aid to States for FY 2002.
* Does not include fringe benefits.

Sources: *Federal Aid to States for FY 2002*; U.S. Department of Commerce, Bureau of the Census. *Consolidated Federal Funds Report FY 2002*; U.S. Department of Commerce, Bureau of the Census. Gross Domestic Product; U.S. Department of Bureau of Economic Analysis.

Table 70
Federal Defense-Related Spending in Utah by County (Thousands of Dollars)

	2002					2001	Change in Total Spending from 2001 to 2002	
County	Wages*	Procurement	Other	Total**	% of State	Total**	Absolute	Percentage
Beaver	$721	$0	$395	$1,116	0.04%	$934	$182	19.5%
Box Elder	390	21,630	7,464	29,484	1.18%	30,547	(1,063)	-3.5%
Cache	2,406	29,026	7,417	38,849	1.55%	41,797	(2,948)	-7.1%
Carbon	290	0	1,174	1,464	0.06%	1,436	28	1.9%
Daggett	0	0	74	74	0.00%	65	9	13.8%
Davis	705,010	736,965	56,357	1,498,332	59.74%	1,531,317	(32,985)	-2.2%
Duchesne	0	1,490	624	2,114	0.08%	1,321	793	60.0%
Emery	0	0	395	395	0.02%	419	(24)	-5.7%
Garfield	0	2	332	334	0.01%	318	16	5.0%
Grand	0	0	338	338	0.01%	327	11	3.4%
Iron	1,240	198	2,709	4,147	0.17%	3,830	317	8.3%
Juab	0	266	346	612	0.02%	394	218	55.3%
Kane	0	0	688	688	0.03%	672	16	2.4%
Millard	802	790	639	2,231	0.09%	1,339	892	66.6%
Morgan	0	292	1,232	1,524	0.06%	1,181	343	29.0%
Piute	0	5	132	137	0.01%	121	16	13.2%
Rich	0	0	182	182	0.01%	182	0	0.0%
Salt Lake	136,738	378,860	91,484	607,082	24.21%	431,285	175,797	40.8%
San Juan	343	1,012	386	1,741	0.07%	1,472	269	18.3%
Sanpete	1,745	40	1,257	3,042	0.12%	2,149	893	41.6%
Sevier	1,082	0	1,476	2,558	0.10%	2,177	381	17.5%
Summit	3,560	10,850	3,318	17,728	0.71%	11,123	6,605	59.4%
Tooele	48,357	71,016	3,842	123,215	4.91%	121,060	2,155	1.8%
Uintah	436	0	1,128	1,564	0.06%	1,432	132	9.2%
Utah	8,881	12,193	25,139	46,213	1.84%	84,753	(38,540)	-45.5%
Wasatch	0	89	680	769	0.03%	761	8	1.1%
Washington	26,532	374	12,016	38,922	1.55%	30,008	8,914	29.7%
Wayne	0	0	210	210	0.01%	213	(3)	-1.4%
Weber	14,463	32,391	36,014	82,868	3.30%	78,752	4,116	5.2%
Undistributed	0	0	0	0	0.00%	0	0	0.0%
State Total	$952,996	$1,297,489	$257,448	$2,507,933	100.0%	$2,381,385	$126,548	5.3%

Notes: * Does not include fringe benefits. ** The totals here will not match the previous Utah table because the data sources and concepts are slightly different.

Source: *Consolidated Federal Funds Report for Fiscal Year 2002*: U.S. Department of Commerce, Bureau of the Census.

Table 71
Federal Defense-Related Spending in Utah (Thousands of Dollars)

UTAH - TOTAL
(Dollars in Thousands)

Fiscal Year 2002

PERSONNEL/EXPENDITURES	Total	Army	Navy & Marine Corps	Air Force	Other Defense Activities
I. Personnel - Total	33,680	10,981	1,558	19,866	1,275
Active Duty Military	5,447	320	162	4,965	0
Civilian	14,725	2,151	29	11,270	1,275
Reserve and National Guard	13,508	8,510	1,367	3,631	0
II. Expenditures - Total	2,796,609	452,324	179,666	1,991,597	173,021
A. Payroll Outlays - Total	1,262,729	276,372	49,508	876,138	60,711
Active Duty Military Pay	184,357	11,200	6,733	166,424	0
Civilian Pay	712,147	105,296	1,342	544,798	60,711
Reserve and National Guard Pay	150,105	102,122	3,353	44,630	0
Retired Military Pay	216,120	57,754	38,080	120,286	0
B. Contracts - Total	1,509,359	158,031	126,909	1,112,109	112,310
Supply and Equipment Contracts	348,961	25,423	84,088	162,052	77,398
RDT&E Contracts	105,785	25,576	26,245	32,323	21,641
Service Contracts	1,001,875	60,784	16,585	911,329	13,177
Construction Contracts	45,142	38,652	-9	6,405	94
Civil Function Contracts	7,596	7,596	0	0	0
C. Grants	24,521	17,921	3,249	3,350	0

EXPENDITURES ($000)

Major Locations	Total	Payroll Outlays	Grants/ Contracts
Hill AFB	901,014	748,240	152,774
Clearfield	775,631	14,497	761,134
Salt Lake City	445,554	105,169	340,385
Ogden	71,617	39,373	32,244
Dugway Proving Grd	46,110	816	45,294
Draper	41,460	29,763	11,697
Tooele Army Depot	40,542	25,069	15,473
Tooele	34,439	29,244	5,195
Layton	33,001	23,834	9,167
Dugway	31,282	29,128	2,154

MILITARY & CIVILIAN PERSONNEL

Major Locations	Total	Active Duty Military	Civilian
Hill AFB	16,691	4,892	11,799
Salt Lake City	879	347	532
Dugway	524	0	524
Tooele Army Depot	501	15	486
Tooele	475	0	475
Draper	245	17	228
Ogden	228	9	219
West Jordan	110	0	110
Brigham City	83	2	81
Park City	79	74	5

PRIME CONTRACT AWARDS ($000)

(Prior 7 Fiscal Years)	Total	Army	Navy & Marine Corps	Air Force	Other Defense Activities
2001	1,250,523	171,938	81,979	836,374	160,231
2000	949,993	122,195	143,204	592,796	91,798
1999	532,907	104,705	80,850	284,789	62,563
1998	470,140	117,115	84,675	203,773	64,576
1997	442,443	94,060	111,371	157,009	80,003
1996	394,677	96,900	48,194	200,486	49,097
1995	479,324	165,912	55,558	141,069	116,785

Top 10 Contractors Receiving the Largest Dollar Volume of Prime Contract Awards in Utah	Total Amount ($000)
NORTHROP GRUMMAN SPACE & MISSION	758,651
L-3 COMMUNICATIONS HOLDING, INC	186,262
NORTHROP GRUMMAN CORPORATION	48,222
CHEVRONTEXACO CORPORATION	27,061
WASATCH ENERGY, LLC	25,732
URS CORPORATION	25,498
ALCOA INC	20,806
UTAH STATE UNIVERSITY RESEARCH	19,862
LOCKHEED MARTIN CORPORATION	16,806
EVANS & SUTHERLAND CMPT CORP	16,187

Note: Accounting conventions used by DIOR difffer from those used by the Census Bureau and therefore numbers may not match

Source: "Atlas/Data Abstract for the US and Selected Areas," by the Statistical Information Analysis Division of the Directorate of Information Operations and Reports (DIOR).

Table 72
Federal Defense-Related Spending in the United States (Thousands of Dollars)

UNITED STATES - TOTAL
(Dollars in Thousands)

Fiscal Year 2002

PERSONNEL/EXPENDITURES	Total	Army	Navy & Marine Corps	Air Force	Other Defense Activities
I. Personnel - Total	2,810,943	1,272,072	775,598	677,589	85,684
Active Duty Military	1,045,077	383,112	355,866	306,099	0
Civilian	628,028	213,618	177,685	151,041	85,684
Reserve and National Guard	1,137,838	675,342	242,047	220,449	0
II. Expenditures - Total	276,281,367	82,850,979	83,534,916	79,070,110	30,825,362
A. Payroll Outlays - Total	114,950,056	39,003,874	37,395,943	34,068,657	4,481,582
Active Duty Military Pay	40,944,590	13,408,920	15,905,582	11,630,088	0
Civilian Pay	32,805,448	10,784,850	10,298,059	7,240,957	4,481,582
Reserve and National Guard Pay	7,522,906	4,449,116	610,460	2,463,330	0
Retired Military Pay	33,677,112	10,360,988	10,581,842	12,734,282	0
B. Contracts - Total	158,737,415	42,326,218	45,610,858	44,572,216	26,228,123
Supply and Equipment Contracts	71,503,014	15,338,650	20,594,887	22,443,075	13,126,402
RDT&E Contracts	26,491,033	6,686,419	7,362,164	9,256,181	3,186,269
Service Contracts	51,235,169	13,172,135	16,065,355	12,642,908	9,354,771
Construction Contracts	6,097,547	3,718,362	1,588,452	230,052	560,681
Civil Function Contracts	3,410,652	3,410,652	0	0	0
C. Grants	2,593,896	1,520,887	528,115	429,237	115,657

EXPENDITURES ($000)				MILITARY & CIVILIAN PERSONNEL			
Major Locations	Total	Payroll Outlays	Grants/ Contracts	Major Locations	Total	Active Duty Military	Civilian
San Diego, CA	6,713,753	2,961,646	3,752,107	Fort Bragg, NC	46,374	40,959	5,415
St. Louis, MO	5,043,286	196,357	4,846,929	Fort Hood, TX	45,157	41,521	3,636
Marietta, GA	4,207,557	117,575	4,089,982	Camp Lejeune, NC	37,802	35,025	2,777
Norfolk, VA	4,187,726	2,716,333	1,471,393	San Diego, CA	34,919	22,568	12,351
Washington, DC	3,910,104	1,489,903	2,420,201	Camp Pendleton, CA	33,005	30,803	2,202
Long Beach, CA	3,907,724	57,649	3,850,075	Norfolk, VA	27,392	16,992	10,400
Fort Worth, TX	3,711,088	239,452	3,471,636	Fort Campbell, KY	26,887	24,386	2,501
Huntsville, AL	3,571,408	235,701	3,335,707	Lackland AFB, TX	25,184	21,257	3,927
Arlington, VA	3,505,268	1,813,387	1,691,881	Washington, DC	24,485	10,219	14,266
Tucson, AZ	3,092,701	316,470	316,470	Arlington, VA	24,319	10,560	13,759

PRIME CONTRACT AWARDS ($000)

(Prior 7 Fiscal Years)	Total	Army	Navy & Marine Corps	Air Force	Other Defense Activities
2001	135,224,752	36,515,221	40,497,012	38,023,684	20,188,835
2000	123,294,978	32,614,979	38,963,003	35,368,606	16,348,400
1999	114,875,127	30,049,383	37,451,740	32,438,343	14,935,661
1998	109,385,850	28,471,955	36,652,133	30,138,618	14,123,145
1997	106,561,099	28,249,679	34,522,055	30,971,306	12,818,059
1996	109,407,896	28,829,374	33,855,101	34,886,724	11,836,698
1995	109,004,783	27,290,168	36,900,622	33,399,384	11,414,609

Top 10 Contractors Receiving the Largest Dollar Volume of Prime Contract Awards in the US Only	Total Amount ($000)
LOCKHEED MARTIN CORP.	16,962,302
THE BOEING COMPANY	16,543,573
NORTHROP GRUMMAN CORP.	8,698,620
GENERAL DYNAMICS CORP.	6,955,779
RAYTHEON COMPANY	6,868,540
UNITED TECHNOLOGIES CORP.	3,602,290
SCIENCE APPLICATIONS INT. CORP	2,018,657
TRW, INC.	1,967,867
HEALTH NET INC.	1,691,430
L-3 COMMUNICATIONS	1,649,774

Note: Accounting conventions used by DIOR difffer from those used by the Census Bureau and therefore numbers may not match

Source: "Atlas/Data Abstract for the US and Selected Areas," by the Statistical Information Analysis Division of the Directorate of Information Operations and Reports (DIOR).

Energy and Minerals

Energy Overview

Economic recession, combined with mild winter weather and increasing prices have slowed the rise in Utah's demand for energy. Motor fuel prices have declined from record peaks early in 2003, but remain higher than 2002. Utah's coal industry supplies most of Utah's electricity needs, with natural gas adding new base load and peaking capacity. Residential and industrial natural gas prices have risen substantially since 1980. Renewable energy contributes a small but increasing portion of the state's energy supply. Utah's energy industry is meeting rising consumer demand with fewer employees as technology gradually automates production, processing and delivery.

2002 Summary and Review

Petroleum

Production. Utah crude oil production declined in 2003 by 5.8% as in-state reserves were depleted. Utah's crude oil production is now less than one-third of peak year production in 1985. Replacement supplies from Wyoming were bolstered by imports from Canada to meet Utah demand for motor fuel, jet fuel and other petroleum products. Refinery receipts dropped by 3.6% during 2003, and overall crude oil supplied to the state declined by 5.7%.

Prices. Utah consumes increasing amounts of crude oil from Canada, and local prices are generally tied to OPEC decisions and international events. Military conflict in Iraq and supply problems in Nigeria and Venezuela caused an early year international price spike that has since moderated. The price of Utah crude oil rose commensurately, reaching more than $29 per barrel, or 22.2% higher than in 2002. As a result, Utah consumers have been paying 10 to 50 cents more per gallon for motor fuel.

Consumption. Jet fuel consumption rose at twice the rate of other fuel demands in Utah over the past two decades, and by 7.8% in the past year alone. Motor gasoline demand rose by 1.6% in 2003, suggesting that the combination of rising prices and lingering economic recession were not enough to dampen enthusiasm for driving. In contrast, distillate fuel consumption grew by less than 1.0%, suggesting the effect of economic conditions.

Industry Trends. Utah refinery capacity has not changed in recent years, and average plant utilization is running above 90%. Utah's relative independence from foreign crude oil will probably assure steady supplies, but at prices that are ever more dependent upon world conditions. Current crude refinery stocks in Utah grew slightly during 2003, but are still about 24.1% lower than the long-term average.

Natural Gas

Production. Conventional natural gas production in Utah continues to decline as fields are depleted. Meanwhile, the rise in natural gas production from coal bed methane fields in Emery and Carbon counties will help make up that loss for about the next 10 years. In fact, Utah consumes only 56.1% of in-state production, making Utah a net exporter of natural gas to other states. The number of producing wells is up sharply, to more than 4,500, from just 1,475 wells as recently as 1997.

Prices. Natural gas prices in the United States rose sharply in early 2003 due to national concerns about adequacy of supplies. Meanwhile, the expansion of Kern River gas pipeline capacity from 900 million to 1.7 billion cubic feet per day signaled the end of comparatively low natural gas prices in Utah. Natural gas that was once captive to the intermountain west due to lack of pipeline capacity is now able to flow more freely to California consumers. As a result, the wholesale price of natural gas in Utah has risen $1.80 per thousand cubic feet, to $4.10. Utah natural gas prices are now only about 50 cents lower than the national benchmark Henry Hub price. There is no prospect for easing this situation. In fact, the newly-opened Kern River line is apparently already full, so further increases in capacity from Wyoming to California may eventually occur. Although a Questar rate hike request was approved in summer 2003, it was moderated by a rate decrease request.

Consumption. Utah relies more heavily on natural gas than do other states. Relatively mild winter weather in Utah moderated the effect of a natural gas price spike in early 2003. In any case, an eventual steep rise in consumer-level natural gas prices may encourage energy conservation efforts or even fuel-switching by some consumers.

Overall natural gas consumption in Utah declined by more than 4.5% during 2003, a decline similar to petroleum products. This comparison was likely the result of the economic recession and relatively mild winter weather conditions over the past season.

Industrial use of natural gas declined by 42.0% over the past decade, illustrating the loss of industrial base in Utah. Natural gas for power generation more than doubled over the last 10 years, as concerns over air quality prompted construction of gas-fired power plants to provide quick-start peaking capacity in Utah.

Industry Trends. The rise of coal bed methane production helped to make up for long-term decline in conventional natural gas fields in Utah. This fortunate condition will last about 10 years, after which coal bed methane production will most likely join conventional gas fields in permanent decline. Employment in oil and gas production has been declining at about 3% per year for the past decade. Loss of these high-paying jobs may be due, in part, to increasing use of labor-saving technology, but also mirrors the rate of oil reserve depletion in Utah.

The clean-burning quality of natural gas has resulted in its substitution for coal in new power plants being built in the United States. However, concerns about the reliability of long-term gas supplies suggest that coal will continue to account for a substantial portion of power generation.

Meanwhile, natural gas-fired power plants are now supplying base load as well as peaking capacity in Utah, and additional gas-fired power plants are in the planning or construction stages. Use of natural gas in motor vehicles has more than doubled over the past five years, but still remains a tiny part of Utah's overall demand.

Electricity

Production. At 93.9% of the market, coal reigns supreme as the fuel of choice for power generation in Utah. Natural gas has increased its share of Utah power generation to about 3.6%, more than doubling its generation capacity since the late-1990s.

Electricity generation in Utah remained consistent from 1998 to 2002. Generation in 2003 rose by 0.5% over 2002.

Prices. Utah's current average rate of 5.3 cents per kilowatthour (kWh) for all sectors of the economy is lower than the national average of 7.2 cents, and lower than all mountain states except Wyoming. For

perspective, California's composite rate of 11.5 cents per kWh is also more volatile than Utah, where average rates between any consecutive years have not varied more than half a penny.

Consumption. Residential power consumption in Utah has more than doubled since 1980 and commercial power demand nearly tripled. Industrial power demand has grown more slowly, increasing by only 60% over the same period.

Industry Trends. Electric utility deregulation efforts have slowed, halted, or even reversed in many states, including Utah. Lingering effects of the "California energy crisis" include reduced consumer confidence, lowered prices, and greater market volatility in the west.

Coal

Production. Utah coal production declined from 25.3 to 23.6 million tons from 2002 to 2003. Two Utah coal mines closed during 2003, consistent with a long-term trend toward fewer, larger mines.

About 2 million tons of Colorado coal contribute to Utah's power supply; however, more than 5 million tons of Utah coal are likewise burned to provide electricity wheeled to California. Several million additional tons of coal are shipped out-of-state each year for industrial and utility purposes, thus making Utah a net coal exporter.

Prices. After years of declining prices, the field price of Utah coal began increasing in 2001 and rose 39 cents per ton in 2003. However, overall coal mine income in Utah is lower than in recent years due to production declines. Meanwhile, mine operating costs continue to rise as some of the best quality and most accessible coal seams in Utah are depleted, and regulatory requirements gradually become more complex.

Consumption. Sales of Utah coal for power generation remain strong, primarily due to urban growth. Coal demand for industry, commercial and residential uses is declining in Utah, but remains steady for out-of-state customers, primarily in Nevada and California. Planned expansion of Utah's Intermountain Power Project and Pacificorp forecasts for its own electricity generation suggest an annual need for at least 3 million more tons of coal for power generation within the next decade. This new demand will probably be met by Utah coal. Meanwhile, Utah's once important foreign export markets have ended completely, and are not expected to return. Coal sales for business, industry and home use have declined drastically as consumers opt for the convenience of natural gas.

Industry Trends. Utah mines are among the most productive in the world, and depend increasingly upon labor automation and high technology. As a result, employment at Utah mines is steadily declining. The existence of vast, low-cost coal reserves in Wyoming promises to keep overall coal prices low both in Utah and across the United States.

Conclusion and Outlook for Utah Energy

The abundance of low-cost Utah coal will assure affordable, reliable electric power in Utah for the foreseeable future. Utah also produces more natural gas than it consumes; however, the days of inexpensive natural gas prices are probably gone forever due to long-term market changes. Utah will become increasingly dependent on other states and foreign countries for petroleum products as Utah crude oil production only meets one-third of in-state demand. Utah's renewable energy capacity will continue to grow slowly as technology improves.

Minerals Overview

The estimated value of mineral production in Utah was $1.88 billion in 2003, approximately $63 million higher than the value for 2002, due to improving metal prices; increasing production of several base metals, salines, and cement; and expanding national and international economies. In decreasing order of value, contributions from the major industry segments were: base metals ($715 million), industrial minerals ($586 million), coal ($445 million), and precious metals ($133 million). The Utah Geological Survey estimates that 82 Large Mines (including coal) and 113 Small Mines will report production in 2003, compared to 81 Large Mines and 94 Small Mines in 2002. Through mid-November 2003, the Utah Division of Oil, Gas, and Mining received five new Large Mine permit applications (five acres and larger disturbance) and 19 new Small Mine permit applications (less than five acres disturbance). All of the Large Mine applications were made by changing from Small Mine to Large Mine permit status. Nationally, Utah ranked 10th in the value of nonfuel mineral production and 12th in coal production in 2002. These rankings will likely change after the release of final 2003 estimates; the nonfuel mineral ranking will rise while the coal ranking will fall. Utah contributed about 3% of the U.S. total value of nonfuel minerals production in 2002.

Operator surveys indicate that, with the exception of copper, both precious-metal and base-metal production for 2004 will increase modestly. Industrial-mineral production is at an all-time high and is projected to increase slightly, if at all. Industrial-mineral production is closely linked to regional and local construction and population growth and will be affected primarily by the level of construction activity in the Salt Lake valley and adjacent states. Coal production was modestly lower in 2003 and will decrease further in 2004, and coal prices are expected to decrease slightly. Higher metal prices led to the announcement of plans to open several small base and precious-metal mines. From all indications, metal prices will continue to improve in 2004.

Significant regulatory issues that continue to impact the minerals industry in Utah are the decreased availability of public lands open for mineral exploration and development, and state and federal regulations that cause difficulties and delays in obtaining required permits. The negative public perception of the mining industry also dampens industry's willingness to develop new resources.

2003 Summary

The value of Utah's mineral production in 2003 is estimated to be $1.88 billion, an increase of about $63 million (3.4%) from 2002. Estimated contributions from each of the major industry segments were:

- Base metals, $715 million (38% of total)
- Industrial minerals, $586 million (31% of total)
- Coal, $445 million (24% of total)
- Precious metals, $133 million (7% of total)

Compared to 2002, the 2003 values changed as follows: (1) base metals increased $103 million, (2) industrial minerals increased $21 million, (3) coal decreased $22 million, and (4) precious metals decreased $38 million.

Base Metals

Base-metal production, valued at approximately $715 million, was the largest contributor to the value of minerals produced in 2003. The value of base metals increased approximately $103 million (17%) compared to 2002, due to increased copper production and an upswing in copper prices. In descending order of value, base metals produced were: copper, magnesium, molybdenum, and beryllium. These metals were produced by Kennecott Utah Copper Company (copper and molybdenum) from one mine in Salt Lake County; by Brush Resources, Inc. (beryllium) from two mines in Juab County; and by U.S. Magnesium LLC (magnesium) from its electrolytic facility using brines from the Great Salt Lake.

Industrial Minerals

Industrial-minerals production (including sand and gravel), valued at approximately $586 million, was the second-largest contributor to the value of minerals produced in 2003 and accounted for approximately 31% of the total value of minerals produced. In comparison to the relatively few (eight) Large Mines and facilities that produce base and precious metals, there were about 81 active Large Mines and brine-processing facilities that produced a myriad of industrial-mineral commodities and products. The above number of mines does not include the approximately 112 sand and gravel operations that are spread throughout the state. The estimated value of industrial minerals increased approximately $21 million (3.7%) compared to 2002, due primarily to increased values of Portland cement and phosphate. Overall, most commodity prices were stable, while some prices actually increased during the year.

The five most important commodities or groups of commodities produced, in descending order of value, were: (1) salines, including salt, potash (potassium chloride), sulfate of potash (potassium sulfate), and magnesium chloride; (2) construction sand and gravel, crushed stone, and silica; (3) Portland cement; (4) lime, including quicklime and hydrated lime; and (5) phosphate. Together, these commodities contributed nearly 90% of the total value of industrial minerals produced in 2003.

Coal

Approximately 23.6 million tons of high-Btu, low-sulfur coal valued at $445 million was produced from 13 mines operated by nine companies in 2003. The mines are located in Carbon, Emery, and Sevier counties. Coal was the third-largest contributor to the value of minerals produced in 2003, and accounted for 24% of the total value of minerals produced. The value of coal decreased about $22 million (5%) in 2003, due to a 7% decrease in production, despite slightly higher coal prices.

Precious Metals

Precious metals, valued at $133 million, accounted for approximately 7% of the total value of nonfuel minerals produced in 2003. The value of precious-metal production was attributed to gold (89%) and silver (11%). Precious-metal values decreased approximately $38 million (22%) compared to 2002, due to significant decreases in the production of both gold and silver. The two primary producers of precious metals were Kennecott's Bingham Canyon mine, which recovers both silver and gold as by-products, and Kennecott's Barneys Canyon mine, which is a primary gold producer. Chief Consolidated Mining Company's Trixie mine, which produced a small amount of gold and silver in 2002, was idle in 2003. The Bingham Canyon and Barneys Canyon mines are located in western Salt Lake County, and the Trixie mine is located in southwestern Utah County near the town of Eureka. The Barneys Canyon mine is in its final stage of heap-leach operation and is expected to end gold production within the next two years.

Active Mines and New Mine Permits

Eighty-one Large Mines and 94 Small Mines reported production in 2002. The Large Mines, grouped by industry segment, were: industrial minerals (60), coal (13), base metals (4), and precious metals (4). The Small Mines were grouped as follows: precious metals (9); industrial minerals (60); and gemstones, fossils, geodes, and other (25). It is estimated that about 82 Large Mines (excluding sand and gravel) and 113 Small Mines will report production in 2003.

Through mid-November 2003, the Utah Division of Oil, Gas, and Mining received five new Large Mine permit applications (five acres and larger disturbance) and 19 new Small Mine permit applications (less than five acres disturbance). All of the Large Mine applications were made to change from Small Mine to Large Mine permit status. These numbers represent a decrease of one Large Mine permit application and one Small Mine permit application compared to 2002. All of the Large Mine permits were for industrial mineral operations. New Small Mine permits were grouped as follows: industrial minerals (15); precious metals (2); and gems, fossils, geodes, and other (2).

Nonfuel Mineral Production Trends

According to preliminary data from the U.S. Geological Survey (USGS), the value of Utah's nonfuel mineral production in 2002 was $1.23 billion, a decrease of about 10% from that of 2001. This followed a 5% decrease from 2000 to 2001. Nationally, Utah ranked 10th in 2002 (eighth in 2001) in the value of nonfuel mineral production and accounted for approximately 3% of the U.S. total in 2002. The Utah Geological Survey's estimate for the value of nonfuel mineral production for 2003 is $1.44 billion, $85 million (6%) higher than its nonfuel mineral production estimate for 2002. USGS data show that between 1991 and 2002, the value of nonfuel mineral production in Utah ranged from a low of $1.18 billion in 1991, to a high of $1.85 billion in 1995.

The number of exploration permits issued is expected to be lower in 2003 than in 2002. Only 10 Notices of Intent (NOI) to explore on public lands were filed with the Utah Division of Oil, Gas, and Mining through mid-November 2003, compared to 11 for all of 2002, and 14 for 2001. The 2003 NOIs were grouped as: industrial minerals (5); precious metals (3); and gems, fossils, geodes, and other (2).

2004 Outlook

The value of mineral production in Utah is expected to increase slightly in 2004. Operator surveys indicate that overall base-metal values will be lower while precious-metal values will be modestly higher. An increase in metal prices is forecast for the year, but decreased production of several metals will reduce overall values. The announced opening of one or two small base and precious-metal mines in the next two to three years will add to the state's metal values. Precious-metal production will be slightly higher in 2004 due to increased production from Kennecott's Bingham Canyon mine and anticipated production from several other Small Mine operations. Kennecott's Barneys Canyon mine will continue to produce less gold each year until its leach pads are depleted. Industrial-mineral values are projected to be higher in 2004, as the production of sand and gravel and crushed stone, salines, cement, lime, and phosphate ore is projected to be nearly the same or higher. Industrial mineral prices are expected to maintain their current levels.

Coal production is expected to decrease for the third year in a row in 2004 due to the closure of two mines and the potential idling of another mine. Coal prices are expected to decrease slightly during the year.

The number of NOIs approved for exploration has reached an all-time low, but it is expected that increased base and precious-metal prices will have a positive effect on the exploration for these metals for the next several years.

Significant Issues Affecting Utah's Mining Industry

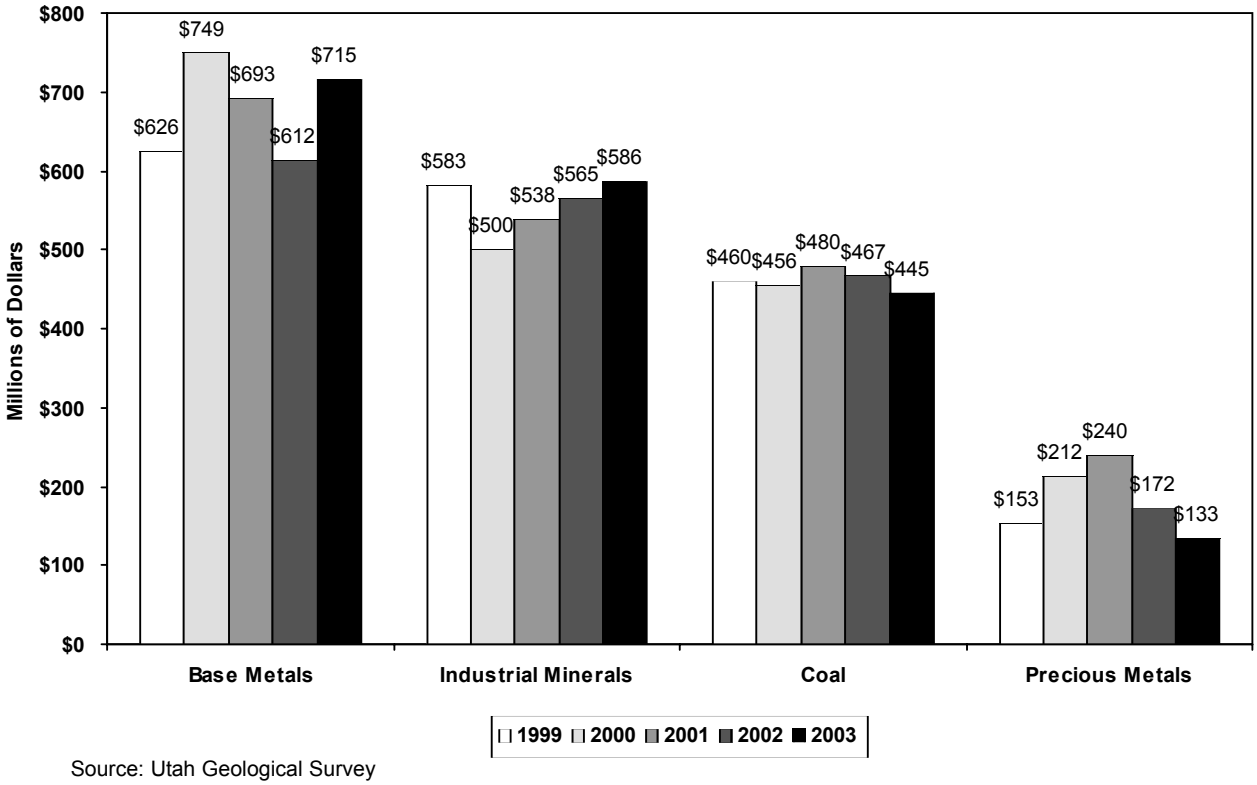
Significant regulatory issues that affect the long-term viability of Utah's mineral industry are the decreased availability of public lands open for mineral exploration and development, and state and federal regulations that cause difficulties and delays in obtaining required permits. The negative public perception of the mining industry also dampens industry's willingness to develop new resources.

Conclusions

Utah's mineral production increased in value in 2003, due to the increased production of several base metals and industrial minerals. This increased value was partially offset by the lower production of precious metals and coal. Base-metal prices, excluding magnesium, and most industrial-mineral prices were higher in 2003, as were precious metals and coal. It is anticipated that Utah's mineral valuation will increase slightly in 2004, due to projected increases in the production of copper, gold, silver, and several major industrial-mineral commodities, and projected declines in the production of coal. These declines will be partially offset by price increases in almost all commodities as a result of an expanding regional and national economy. Overall, the value of industrial-mineral production is at an all-time high and any further increases will be small, if at all. Coal production is projected to decrease slightly in 2004.

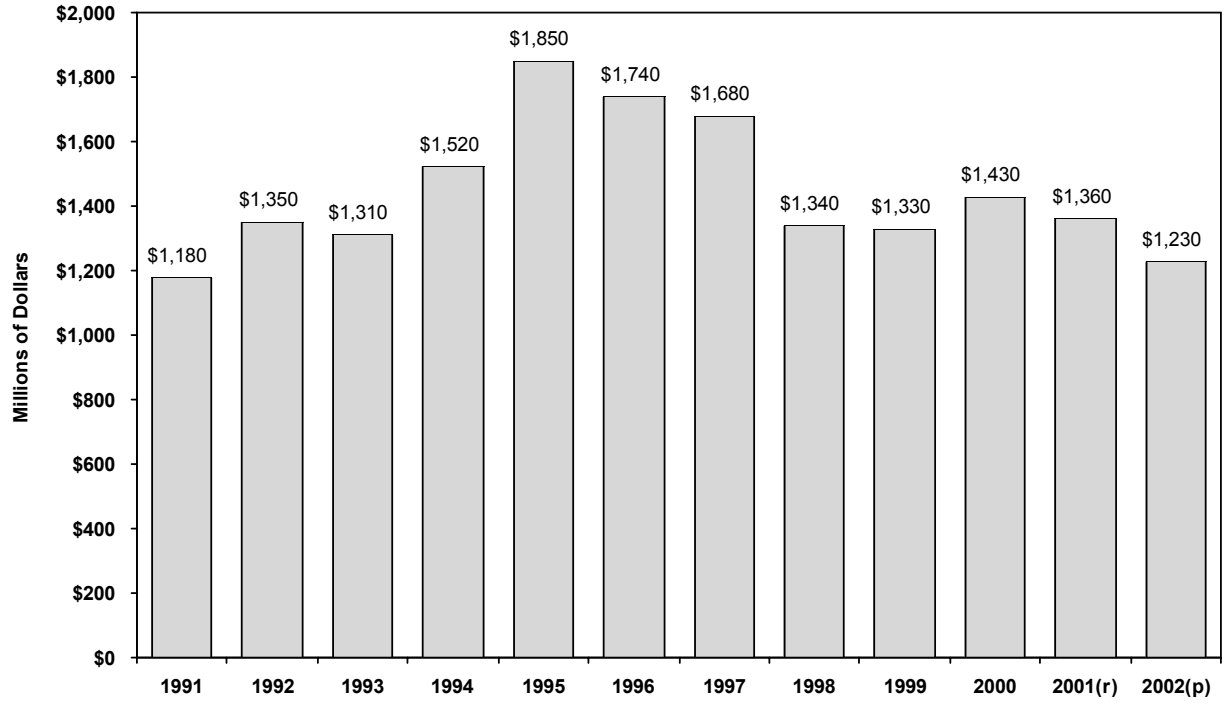
The number of producing Large and Small Mines increased this year, which increased the state's mineral production base; however, the overall level of mineral exploration continued to decline. Utah ranked 10th in the nation in the value of nonfuel mineral production and 12th in coal production in 2002. The nonfuel ranking will improve as metal prices improve; Utah's coal ranking will likely fall, as coal production is at a 10-year low and is projected to be lower in 2004.

Figure 61
Mineral Valuation -- Gross Value Estimates



Source: Utah Geological Survey

Figure 62
Value of Nonfuel Minerals



Source: U.S. Geological Survey

(r) = revised
(p) = preliminary

Table 73
Supply and Disposition of Crude Oil in Utah (Thousand Barrels)

	Supply				Disposition			
Year	Field Production	Colorado Imports	Wyoming Imports	Canadian Imports	Utah Crude Exports	Refinery Receipts	Refinery Inputs	Refinery Stocks
1980	24,979	15,846	12,233	--	8,232	45,516	45,599	665
1981	24,309	14,931	11,724	--	7,866	43,700	42,673	762
1982	23,595	13,911	12,033	--	7,826	41,246	40,368	614
1983	31,045	14,696	7,283	--	8,316	43,615	43,185	632
1984	38,054	13,045	6,195	--	13,616	43,672	43,746	607
1985	41,080	13,107	6,827	--	14,597	45,549	45,021	695
1986	39,243	12,567	7,574	--	15,721	45,132	45,034	559
1987	35,829	13,246	7,454	--	12,137	45,664	44,483	612
1988	33,365	12,783	14,739	--	8,411	48,882	47,618	599
1989	28,504	13,861	18,380	--	6,179	46,775	46,767	609
1990	27,705	14,494	18,844	--	7,725	49,104	48,985	728
1991	25,928	14,423	20,113	--	8,961	48,647	48,852	513
1992	24,074	13,262	21,949	--	6,901	50,079	49,776	645
1993	21,826	11,575	22,279	--	7,758	48,554	48,307	691
1994	20,668	10,480	26,227	--	8,048	48,802	48,506	767
1995	19,976	9,929	24,916	--	7,861	46,695	46,666	767
1996	19,529	9,857	24,905	174	7,713	46,126	45,766	590
1997	19,593	8,565	28,191	536	7,819	48,492	48,486	654
1998	19,218	8,161	28,414	2,153	7,785	49,539	49,023	702
1999	16,362	7,335	28,461	6,371	7,180	51,157	49,508	720
2000	15,609	7,173	26,398	7,870	6,709	48,484	47,107	454
2001	15,267	7,208	25,120	9,500	5,945	49,597	49,509	533
2002	13,771	7,141	25,456	10,966	5,616	47,737	49,012	422
2003 (e)	12,971	7,059	24,228	9,784	5,021	46,023	46,499	475

e = estimate

Source: Utah Energy Office

Table 74
Supply and Disposition of Petroleum Products in Utah (Thousand Barrels)

	Supply			Consumption by Product					
Year	Refined in Utah	Imports	Refinery Beginning Stocks	Motor Gasoline	Jet Fuel	Distillate Fuel	All Other	Total	Exports
1980	40,340	7,474	3,202	15,534	2,637	8,401	9,412	35,983	22,136
1981	46,994	8,755	3,376	15,548	2,424	7,098	5,742	30,812	23,630
1982	43,824	10,339	2,979	15,793	2,801	6,438	5,531	30,563	22,119
1983	52,019	8,099	3,153	15,954	3,284	6,387	6,691	32,316	25,298
1984	47,968	10,057	2,842	16,151	3,413	6,107	6,458	32,129	24,121
1985	51,276	9,392	2,989	16,240	3,808	5,715	6,046	31,809	23,365
1986	51,822	8,026	2,803	17,541	4,335	6,978	5,552	34,406	19,983
1987	52,345	8,321	2,661	17,623	4,969	6,507	6,074	35,172	20,719
1988	55,742	8,616	2,303	18,148	4,977	7,060	5,787	35,971	23,327
1989	54,384	9,375	2,585	17,311	5,095	5,917	6,372	34,694	22,326
1990	57,349	11,998	3,000	16,724	5,281	7,162	5,915	35,082	24,969
1991	57,446	11,359	2,758	17,395	5,917	7,038	6,583	36,933	26,544
1992	57,388	10,534	2,746	17,905	5,607	7,286	5,726	36,524	25,642
1993	57,597	10,707	2,840	18,837	5,518	7,422	5,645	37,422	23,691
1994	59,458	11,555	3,173	19,433	5,270	7,653	5,919	38,275	25,265
1995	57,363	12,289	2,687	20,771	5,658	8,469	6,820	41,718	24,205
1996	58,852	12,692	3,253	21,170	6,303	8,746	8,410	44,628	24,561
1997	59,849	12,949	2,640	22,024	6,277	9,976	6,249	44,526	26,248
1998	61,424	12,842	2,908	22,735	6,373	10,398	5,940	45,446	26,527
1999	57,004	14,509	2,638	23,141	7,443	9,793	6,429	46,806	26,756
2000	58,054	14,568	2,315	23,895	7,701	10,629	6,954	49,179	26,861
2001	57,969	15,764	2,217	22,993	6,880	11,236	6,831	47,939	27,666
2002	56,985	16,848	2,622	23,806	7,039	10,900	7,224	48,969	27,375
2003 (e)	54,267	15,917	2,752	24,192	7,591	10,987	7,228	49,998	26,269

e = estimate

Source: Utah Energy Office

Table 75
Supply and Disposition of Natural Gas in Utah (Million Cubic Feet)

	Supply			Consumption by End Use						
Year	Gross Production	Marketed Production	Actual Sales	Residential	Commercial	Industrial	Electric Utilities	Lease & Plant	Pipeline	Total
1980	87,766	47,857	na	57,639	330	43,545	5,133	7,594	851	115,092
1981	91,191	58,865	na	54,789	343	42,779	3,097	511	721	102,240
1982	94,255	56,368	na	45,957	21,831	39,804	3,023	5,965	1,126	117,706
1983	63,158	54,700	na	54,938	7,986	40,246	1,259	4,538	1,218	110,185
1984	184,606	74,698	na	54,639	8,569	42,709	271	8,375	1,015	115,578
1985	213,302	83,405	na	58,727	8,505	37,448	235	9,001	1,201	115,117
1986	238,388	90,013	na	57,654	4,636	28,264	230	13,289	1,102	105,175
1987	261,911	87,158	na	41,536	14,811	23,884	263	17,671	822	98,987
1988	277,910	101,372	na	42,241	17,911	30,354	196	16,889	1,362	108,953
1989	278,081	120,089	na	45,168	16,522	33,963	636	16,211	1,037	113,537
1990	319,632	145,875	63,336	43,424	16,221	35,502	907	19,719	875	116,648
1991	323,660	144,817	65,288	50,572	19,282	43,120	5,190	13,738	864	132,766
1992	314,275	171,293	94,725	44,701	16,600	40,878	6,576	12,611	1,284	122,650
1993	336,183	225,401	137,864	51,779	22,620	42,301	6,305	12,526	2,513	138,044
1994	347,019	270,858	160,967	48,922	26,553	36,618	8,900	13,273	2,807	137,073
1995	303,233	241,290	164,059	48,975	26,926	42,373	8,707	27,012	2,831	156,824
1996	281,208	250,767	179,943	54,344	29,666	42,213	3,428	27,119	3,601	160,371
1997	274,920	257,139	183,427	58,108	31,351	44,162	4,078	24,619	2,935	165,253
1998	297,265	277,340	201,416	56,843	31,233	45,501	5,945	27,466	2,788	169,776
1999	276,967	262,614	205,036	55,474	30,707	40,859	6,481	23,810	2,561	159,892
2000	281,117	269,285	225,958	55,626	31,665	39,378	10,544	24,670	2,674	164,557
2001	301,422	283,913	247,056	55,008	31,349	33,585	15,141	20,014	4,161	159,258
2002	293,064	274,740	247,511	58,895	33,894	26,888	12,861	22,337	4,065	158,940
2003 (e)	281,398	270,319	245,213	55,932	30,389	24,527	13,783	22,787	4,302	151,720

e = estimate
na = not available

Source: Utah Energy Office

Table 76
Supply and Disposition of Electricity in Utah (Gigawatthours)

	Net Generation by Fuel Type						Consumption by End Use			
Year	Coal	Petroleum	Natural Gas	Hydro	Other	Total	Residential	Commercial	Industrial	Total
1980	10,870	63	358	823	--	12,112	3,116	3,141	4,448	10,705
1981	10,869	40	230	623	--	11,762	3,436	2,999	5,451	11,886
1982	10,635	29	203	1,024	--	11,891	3,785	3,207	5,399	12,391
1983	10,921	40	69	1,394	--	12,424	3,804	3,350	6,040	13,194
1984	12,321	30	8	1,391	38	13,788	3,856	4,269	4,592	12,717
1985	14,229	40	14	1,019	109	15,411	3,985	4,596	4,458	13,039
1986	15,155	74	6	1,413	171	16,819	3,989	4,682	4,318	12,989
1987	25,221	92	13	893	127	26,346	3,980	4,863	4,555	13,398
1988	28,806	59	5	593	174	29,637	4,151	5,035	5,321	14,507
1989	29,676	48	37	562	173	30,496	4,163	5,173	5,629	14,965
1990	31,523	52	146	508	334	32,564	4,246	5,389	5,766	15,401
1991	28,888	51	550	627	390	30,506	4,460	5,571	5,876	15,907
1992	31,553	34	631	602	463	33,284	4,505	5,850	6,212	16,567
1993	32,125	37	606	860	468	34,097	4,726	5,920	6,221	16,867
1994	33,131	33	807	750	514	35,235	5,009	6,340	6,498	17,847
1995	30,611	36	791	969	429	32,836	5,041	6,462	6,957	18,460
1996	31,101	47	324	1,049	462	32,983	5,481	6,717	7,660	19,858
1997	32,544	47	328	1,344	485	34,748	5,661	7,285	7,430	20,376
1998	33,588	35	528	1,315	480	35,945	5,756	7,433	7,511	20,700
1999	34,534	31	610	1,255	385	36,815	6,236	8,075	7,586	21,879
2000	34,491	58	890	751	454	36,644	6,514	8,754	7,917	23,185
2001	33,607	58	1,280	508	454	35,908	6,693	9,113	7,411	23,217
2002	34,081	47	911	476	474	35,989	6,938	9,310	7,019	23,267
2003 (e)	33,943	46	1,298	413	466	36,165	7,062	9,322	7,117	23,501

e = estimate

Source: Utah Energy Office

Table 77
Energy Prices in Utah (Current Dollars)

	Field Price			Average End Use Price									
Year	Coal ($/ton)	Crude Oil ($/barrel)	Natural Gas ($/mcf)	Coal ($/ton)	No. 2 Distillate ($/gallons)	Motor Fuel ($/gallons)	Natural Gas Residential ($/mcf)	Natural Gas Commercial ($/mcf)	Natural Gas Industrial ($/mcf)	Electric Power Residential (c/kWh)	Electric Power Commercial (c/kWh)	Electric Power Industrial (c/kWh)	Electric Power All Sectors (c/kWh)
1980	25.63	19.79	1.12	30.11	0.91	1.23	2.74	5.59	2.26	5.5	4.3	3.3	4.3
1981	26.87	34.14	1.10	33.74	1.04	1.37	3.23	5.35	2.58	6.0	5.0	3.7	4.7
1982	29.42	30.50	3.06	34.89	1.01	1.35	3.41	3.43	2.45	6.3	5.7	4.2	5.2
1983	28.32	28.12	3.40	31.97	0.96	1.13	4.26	4.32	3.15	6.9	6.3	4.4	5.6
1984	29.20	27.21	4.08	33.33	0.96	1.12	5.68	4.96	3.52	7.4	6.5	4.6	6.0
1985	27.69	23.98	3.52	34.06	0.93	1.14	4.86	4.91	3.23	7.8	6.9	5.0	6.4
1986	27.64	13.33	2.90	32.98	0.78	0.85	4.64	4.73	3.00	8.0	7.1	5.2	6.6
1987	25.67	17.22	1.88	28.86	0.84	0.93	4.97	4.98	3.20	8.0	7.1	4.9	6.5
1988	22.85	14.24	2.39	30.56	0.85	0.96	5.11	4.08	3.10	7.8	7.0	4.6	6.2
1989	22.00	18.63	1.58	29.38	0.94	1.03	5.13	4.16	3.30	7.4	6.7	4.1	5.8
1990	21.78	22.61	1.70	28.32	1.11	1.14	5.28	4.30	3.62	7.1	6.3	3.9	5.5
1991	21.56	19.99	1.54	29.05	1.03	1.10	5.43	4.50	3.69	7.1	6.1	4.0	5.4
1992	21.83	19.39	1.63	28.92	1.02	1.12	5.43	4.40	3.91	7.0	6.0	3.7	5.3
1993	21.17	17.48	1.77	28.79	1.01	1.10	5.13	4.06	3.67	6.9	6.0	3.8	5.3
1994	20.07	16.38	1.54	27.70	0.99	1.12	4.96	3.84	2.74	6.9	5.9	3.8	5.4
1995	17.11	17.71	1.15	26.54	1.05	1.16	4.74	3.64	2.34	6.9	5.9	3.7	5.3
1996	18.50	21.10	1.39	26.10	1.19	1.26	4.47	3.38	2.10	7.0	5.9	3.7	5.3
1997	18.34	18.57	1.86	26.32	1.17	1.31	5.13	3.92	2.55	6.9	5.7	3.5	5.2
1998	17.83	12.52	1.73	26.81	1.00	1.13	5.57	4.35	3.00	6.8	5.7	3.5	5.2
1999	17.36	17.69	1.93	25.05	1.10	1.27	5.37	4.13	2.94	6.3	5.3	3.4	4.9
2000	16.93	28.53	3.28	24.80	1.43	1.54	6.20	4.93	3.93	6.3	5.2	3.4	4.8
2001	17.76	24.09	3.52	26.70	1.31	1.49	8.09	6.78	5.29	6.7	5.6	3.5	5.2
2002	18.47	23.87	2.30	23.58	1.24	1.40	6.38	5.21	3.90	6.7	5.5	3.8	5.3
2003 (e)	18.86	29.16	4.10	25.52	1.32	1.61	6.87	5.26	4.51	6.3	5.4	3.7	5.3

e = estimate

Source: Utah Energy Office

High Technology

Overview

Utah's technology sector continued to lose jobs during 2003, following a decline that began in 2001. From January 2001 through June 2003, Utah's technology sector lost 9,929 jobs, a drop of about 15%. Companies that engage in computer system design and computer and peripheral equipment manufacturers have been hardest hit, posting job losses totaling 5,500. Other industries that posted job losses of more than 100 workers include semiconductor and electronic component manufacturers and aerospace products manufacturers. Only three industries (medical equipment and supply, engineering services, and scientific research) reported job growth of more than 100 workers.

2003 Summary

The downturn in Utah's technology sector which began in January 2001 continued through the second quarter of 2003. Approximately 56,400 people are employed in the technology sector, or roughly 5.3% of the state's nonfarm workers. Over the past two years, this sector has experienced deep and persistent contractions. Since January 2001, Utah's technology sector has lost 9,929 jobs, a drop of almost 15.0%. Employment declines continued during the first six months of 2003 (the most recent data available).

Preliminary data for 2003 show that the technology sector may have lost an additional 1,175 jobs during the first six months of 2003. However, the rate at which technology jobs are declining appears to be slowing. Average employment in the technology sector for the first six months of 2003 is just 3.3% lower than average employment during the same period last year. Nonetheless, Utah has yet to emerge from its current economic slump and employment projections indicate that the state will post its second year of job losses. Expectations are that job losses in the technology sector will follow suit.

Major Industry Segment Analysis

Utah's technology sector is highly concentrated in three industry segments--computer systems design, medical equipment, and aerospace. When combined, employment in these industry segments accounts for about 43% of all technology employment in Utah. Other important, but smaller, segments of the state's technology base include software, engineering services, and companies involved in scientific research.

A comparison of year-over average annual employment for the first six months of 2003 and 2002 shows that almost every industry segment posted job losses. The largest losses were in the manufacturing sectors of semiconductor and electronic components and aerospace products. More than 1,100 jobs have been lost in these two industries alone. Other industries that posted losses of more than 100 workers included computer and peripheral equipment, wireless telecommunications carriers, internet service providers, computer systems design, and scientific research. The only industry that reported any notable employment gain was engineering services with a net gain of 208 jobs.

Computer Systems Design

The largest technology segment (as measured by employment) is computer systems design, which accounts for 20% of the state's technology workers, an average of about 10,600 people. This industry includes companies that provide expertise in the field of information technologies and is characterized by a large number of small firms; approximately 1,300 companies make up this industry segment. The largest employers include 3M Company and Unisys. Both companies employ fewer than 500 people.

Employment in this sector, averaged over the first six months of 2003 (10,642), is slightly higher than average annual employment reported for 2002 (10,521); however, the stability of the sector, as conveyed by averages, may be misleading. After spiking slightly in January of 2003 at 10,826, employment in the industry has declined to its present levels. Further, several companies that intended to increase their Utah workforce base in 2003 have either put their plans on hold, eliminated positions, or anticipate layoffs early in 2004.

Medical Equipment

The medical equipment manufacturing sector posted very modest gains during the first six months of 2003 with an average employment base of 7,644 (an increase of 69 workers over the 2002 annual average). This industry has been an important and relatively stable component of the technology sector for many years. It helps that many of these companies produce products that are in high demand and meet the needs of aging baby boomers.

Of the 10 largest technology companies in Utah, five are medical equipment and supply manufacturers. One of these companies, Merit Medical based in South Jordan, has announced plans to increase its Utah work force in the coming year. The company was also ranked on the 2003 Forbes magazine list of "200 Best Small Companies in America." On a more sobering note, Kimberly-Clark Ballard Medical announced earlier this year that it will transfer between 150 and 200 jobs from its Draper facility to a Mexico plant over the next three-year period. The company now has about 850 workers at its Draper facility.

Aerospace Products

Utah's aerospace industry has undergone a significant transformation over the past decade. Most of Utah's aerospace companies downsized during the late 1990s by restructuring their core business activities. Once the largest component of the technology sector, aerospace companies now employ about 6,300 people. Within this industry, the largest company is ATK Alliant Techsystems. Formed in 1990s when Honeywell spun off its defense business, ATK has grown to become a major aerospace contractor in Utah. In 1995, ATK purchased Hercules Aerospace Company, a Utah company with longstanding ties to the defense industry. In 2001, ATK acquired Thiokol Propulsion, a Utah manufacturer of solid propellant rocket motors. At present, ATK's aerospace divisions in Utah employ about 4,000 people.

Significant Issues

The availability of venture capital is essential to growing and maintaining a strong and viable technology community. The bursting of the technology bubble staunched the flow of venture money into Utah. In 2002, according to the *MoneyTree Survey* published by PricewaterhouseCoopers, about $95 million was invested in Utah technology companies in 2002, a substantial drop from the $706 million invested in 2000. The capital tightening has had a profound affect on promising new technologies and the companies developing them. Lack of venture capital has caused technology companies, especially smaller fledgling companies, to downsize, shut down, or sell out prematurely and below market value because they do not have the capital to move to the next level.

Finally, the business life cycle is alive and well and impacts technology and nontechnology companies alike. Well-managed businesses with tangible goals and expectations are much more likely to weather economic downturns than their mismanaged counterparts. Many casualties of the technology bust were companies with poorly defined business strategies or who lacked viable products. In the short run, strong markets, like those experienced during the late 1990s can compensate for poor management; however, over the long term, success is more likely for those companies with solid management and that have the ability to respond quickly to changing economic conditions.

Conclusion

The halcyon days of the technology sector (the fast pace of new technology startups, billion dollar IPO's, and dizzying returns on investments) will most likely not be repeated. However, the development of new products and technologies is still the backbone of Utah's economic growth. While the sector will rebound as the overall economy improves, it may take several years before employment reaches the peak levels enjoyed just three years ago.

Table 78
Technology Employment by Detailed Industry Annual Averages

Sector	NAICS Code	Average Annual Employment 2000	2001	2002	2001-2002 net change
In-Vitro Diagnostic Substances	325413	18	22	23	1
Optical Instrument and Lens Manufacturing	333314	174	170	158	-12
Computer and Peripheral Equipment	3341	3,575	3,181	1,540	-1,641
Communication Equipment	3342	2,286	2,393	2,370	-23
Semiconductor and Electronic Components	3344	4,110	4,215	3,315	-900
Navigational, Measuring and Electromedical Products	3345	3,211	3,242	3,109	-133
Carbon and Graphite Product Manufacturing	335991	398	368	341	-27
Aerospace Products and Parts Manufacturing	3364	7,465	7,201	6,634	-567
Medical Equipment and Supplies	3391	7,530	7,479	7,575	96
Software	5112	5,819	5,348	4,845	-503
Motion Picture and Video Production	51211	2,685	2,643	2,478	-165
Post Production Services	51219	42	42	49	7
Wireless Telecommunications Carriers	5172	1,480	1,179	879	-300
Satellite Telecommunications	5174	100	96	90	-6
Other Telecommunications	5179	25	98	119	21
Internet Service Providers	5181	3,476	3,276	3,016	-260
Engineering Services	54133	5,502	5,767	5,579	-188
Testing Laboratories	54138	1,182	1,214	1,152	-62
Computer Systems Design	5415	13,028	12,491	10,521	-1,970
Scientific Research	54171	2,847	3,340	3,815	475
Total		64,953	63,765	57,608	-6,157

Note: NAICS stands for North American Industry Classification System.
Source: Utah Department of Workforce Services

Table 79
Technology Employment by Detailed Industry: Comparison of 2002 and Six Month Average of 2003

Sector	NAICS Code	Average Employment 2002	Average Employment 2003	2002-2003 net change
In-Vitro Diagnostic Substances	325413	23	23	0
Optical Instrument and Lens Manufacturing	333314	161	152	-9
Computer and Peripheral Equipment	3341	1,623	1,337	-286
Communication Equipment	3342	2,370	2,377	7
Semiconductor and Electronic Components	3344	3,534	2,870	-664
Navigational, Measuring and Electromedical Products	3345	3,132	3,186	54
Carbon and Graphite Product Manufacturing	335991	347	337	-10
Aerospace Products and Parts Manufacturing	3364	6,829	6,343	-486
Medical Equipment and Supplies	3391	7,604	7,644	40
Software	5112	4,893	4,874	-19
Motion Picture and Video Production	51211	2,345	2,284	-61
Post Production Services	51219	78	32	-46
Wireless Telecommunications Carriers	5172	929	700	-229
Satellite Telecommunications	5174	94	86	-8
Other Telecommunications	5179	114	96	-18
Internet Service Providers	5181	3,052	2,939	-113
Engineering Services	54133	5,542	5,750	208
Testing Laboratories	54138	1,137	1,144	7
Computer Systems Design	5415	10,809	10,642	-167
Scientific Research	54171	3,744	3,621	-123
Total		58,360	56,437	-1,923

Note: NAICS stands for North American Industry Classification System.
Source: Utah Department of Workforce Services

Table 80
Technology Employment by Detail Industry: Actual January 2001 and June 2003

Sector	NAICS Code	Actual Employment January 2001	Actual Employment June 2003	2002-2003 net change
In-Vitro Diagnostic Substances	325413	17	23	6
Optical Instrument and Lens Manufacturing	333314	186	152	-34
Computer and Peripheral Equipment	3341	3,850	1,337	-2,513
Communication Equipment	3342	2,385	2,377	-8
Semiconductor and Electronic Components	3344	4,651	2,870	-1,781
Navigational, Measuring and Electromedical Products	3345	3,284	3,186	-98
Carbon and Graphite Product Manufacturing	335991	365	337	-28
Aerospace Products and Parts Manufacturing	3364	7,409	6,343	-1,066
Medical Equipment and Supplies	3391	7,409	7,644	235
Software	5112	5,531	4,874	-657
Motion Picture and Video Production	51211	2,459	2,284	-175
Post Production Services	51219	45	32	-13
Wireless Telecommunications Carriers	5172	1,380	700	-680
Satellite Telecommunications	5174	87	86	-1
Other Telecommunications	5179	91	96	5
Internet Service Providers	5181	3,708	2,939	-769
Engineering Services	54133	5,611	5,750	139
Testing Laboratories	54138	1,189	1,144	-45
Computer Systems Design	5415	13,626	10,642	-2,984
Scientific Research	54171	3,083	3,621	538
Total		66,366	56,437	-9,929

Note: NAICS stands for North American Industry Classification System.
Source: Utah Department of Workforce Services

Tourism, Travel, and Recreation

Overview

The lingering effects of 9/11, the war with Iraq, SARS, and difficult economic conditions presented a challenging set of circumstances for the travel industry in 2003. The increase in destination skiers, gains in the restaurant sector, and increases from regional and discount airlines helped the amount of spending and employment related to travel and tourism to improve slightly. A successful 2002 Olympic Winter Games played a significant role in attracting more destination skiers to the state in 2003. However, research has shown that people need to be reminded that the Olympics were held here. Without that reminder and an invitation to visit, potential travelers still revert back to old stereotypes when thinking about the state. As the economy improves, the amount of tourism, travel, and recreation in Utah should increase if people are reminded of what Utah has to offer.

2003 Summary

Utah Bucks the National Trend -- Again. Similar to 2002, Utah's travel and tourism sector performed quite well, considering the difficult year it has been for tourism nationally. Non-resident tourism arrivals to Utah nearly matched 2002 (Olympic-year) levels, decreasing only 0.6% to 17.2 million. The number of domestic travelers lowered scarcely, while international visitation fell 3.3%. Visitation reports indicated a minimal decrease in vehicle traffic along Utah's interstates and slightly less visitors at national parks and state-operated welcome centers. Hotel occupancies were 59.3% in 2003, a small decline of 2.8% from 2002. Despite falling prices nationally, statewide room rates decreased only slightly when compared to 2002, indicating somewhat less demand in the state's lodging sector. Hotel room rents declined 12% when compared to 2002, but that was expected due to uncharacteristically high hotel room rents for the Olympic Winter Games. Hotel room rents for 2003 surpassed room rents for 2001, continuing an upward trend that has lasted over 20 years (if 2002 is considered an outlier). The downturn in air travel continued throughout the nation in 2003, but the number of passengers at the Salt Lake International Airport basically equaled those of 2002. The long-lasting drought continued difficulties at many state parks and prompted a 22.4% decline in state park visitation during the year. A year after the Olympics, the number of skier days increased 5.6%. Destination skiers, who viewed Utah and the Olympics on television, salvaged what could have been one of the worst seasons in decades. Local skiers stayed off the slopes due to the lack of snowfall to which they have grown accustomed.[1]

In 2001, consumers began retrenching, given the increase in economic uncertainty related to employment, income growth, and the stock market. Reactions to the terrorist events of September 11th prompted further changes in travel behavior. Continued economic uncertainty, combined with the war on terrorism, further embedded those changes in 2002. The war with Iraq, SARS, and a weak economy caused the trends of 2002 to continue in 2003. The most salient changes in travel behavior from 9/11 to the present include:

- Shorter trips closer to home
- Booking/reserving within two weeks of trip
- Less business travel
- Online requests for information and online booking
- Spending less
- More interest in making connections--with family, nature, heritage, and culture
- More interest in outdoor recreation activities and travel to rural America

Utah was well positioned to benefit from many of the changing travel patterns among domestic leisure visitors. Utah's gains among domestic leisure travelers, combined with the after-effects of the Olympics and a good convention year, helped offset declines in business and international travel. The increases in destination skiers and in the restaurant sector helped total traveler spending rise 1.7% in 2003 to $4.3 billion. Total state and local taxes generated by travel spending totaled $341 million in 2003, or $486 per Utah household. Increases from regional and discount airlines prompted travel-related employment to increase slightly in 2003. Total travel-related employment was 107,500 in 2003, accounting for 10% of total Utah nonfarm jobs.

Perceptions of Utah and Advertising Effectiveness a Year After the 2002 Olympic Winter Games

Despite the significant gains for the state's tourism industry during the Olympic period, research indicated that part of the 2002 Olympic Winter Games legacy could be in increased tourism opportunities in the future. A survey among U.S. residents shortly after the conclusion of the event identified the following changes in Utah's domestic image:[2]

- Utah's image improved slightly as a result of the 2002 Olympic Winter Games
- 7.1 million more adults say they are likely to vacation in Utah than before the Games
- Utah is more recognized today for its scenic beauty, mountains, winter sports, ski resorts, cleanliness, and friendly people after exposure through the Games
- Utah's high quality workforce is more recognized by executives around the country following the Games

One can look back on 2003 and see that the Olympic Winter Games definitely had a positive affect on Utah's ski season and helped the tourism industry nearly maintain 2002 levels in spite of many obstacles. However, Utah's Olympics will become old news once the torch is lit for the 2004 Games. Additionally, the 7.1 million adults who say they are likely to vacation in Utah as a result of the Olympics are potential marginal gain directly attributed to the Olympics. Whether or not they will actually come remains to be seen. In 2003, focus groups were conducted "to determine the most appropriate message opportunity evolving from the post-Olympic afterglow into the next phase of attracting additional visitors" to the state.[3] Results showed that without reminding people that the Olympics were here, people still have the following perceptions of Utah:

[1] Visitation reports collected from Salt Lake City Department of Airports, National Park Service, Utah Division of Travel Development, Utah Division of State Parks, Utah Department of Transportation, Ski Utah and the Rocky Mountain Lodging Report.

[2] *Measuring the Impact of the Olympic Winter Games on Utah's Image*, Wirthlin Worldwide, Spring 2002.

[3] *Utah Travel Council Research Report*, Riester-Robb, August 2003.

- Very closely associated with the Mormon religion
- More conservative than Colorado
- Limited nightlife available
- Limited activities available
- Described as desert-like, red-rocks

Once these same people were reminded that the Olympics were held in Utah, their perceptions of Utah quickly changed to talking about Utah's beauty, mountains, and sports. They remembered seeing people having fun at night during the Olympics and talked about Utah being a fun place with lots to do. The logical conclusion is that Utah's tourism industry needs to continue to remind potential visitors about the Olympics and what Utah has to offer. With some aided awareness, Utah may still benefit from the afterglow of the Olympics. Advertising is crucial as the time frame to accomplish this task is quickly narrowing.

In 2003, an advertising effectiveness study was also conducted.[4] This was the first study of its kind for the State of Utah. One of the goals of the study was to determine the ROI for the State's advertising in 2003. Using a conservative approach, the study demonstrated that the State's advertising generated a return on investment of over $30 million in tax revenue in 2003. Additionally, $8 in tax revenue are generated for each $1 spent on advertising.

2004 Outlook -- Cautious Optimism

Despite a fair amount of uncertainty, the outlook for 2004 is cautiously optimistic. Factors such as the economy, consumer confidence, the stock market, shifting travel preferences, our continued presence in Iraq, and the ever-present possibility of another major terrorist attack could cloud the view. Nonetheless, Utah tourism is expected to increase in 2004. Slow but steady growth in domestic leisure travel should occur, especially if the economy continues to improve. Business travel is predicted to remain weak, but as more and more signs point to a healthier economy, business travel may eventually increase. International travel is expected to grow despite new government security policies that discourage travel to the U.S. The federal government will spend $50 million to promote international travel to the U.S. While $50 million is a small amount when promoting the U.S. to the entire world, one may hope that some promotions will include Utah destinations and/or an emphasis on Western heritage and national parks. Additionally, the Travel Industry Association of America and others are actively promoting the nation's national parks, and Utah should benefit. Early snowfall allowed most Utah ski resorts to open early, and optimism is high for a successful ski year.

Competition among nearby destinations for the local and regional markets will continue to intensify as marketers continue to focus their priorities towards close-to-home markets and quick getaways. Many western states spend much more on marketing and advertising than Utah to attract their visitors, and the battle for market share is constant. National trends highlight opportunities in key segments of the travel market including adventure travel, cultural and heritage tourism, nature-based travel, and family travel. Utah is well positioned to attract visitors seeking a higher quality, more unique experience.

4 *FY03 Utah Advertising Effectiveness Study*, NFO Plog Research, August 2003.

Tourism Methodology Overview

Estimating traveler and tourist spending in Utah, and the number of jobs that result from it, is an inexact science. This is because travel and tourism is not an industry in the traditional sense, i.e., an industry classification by which employment, wages, and output are reported and measured. Rather, it is an array of goods and services associated with the activity of travel. In the late 1980s to early 1990s, due to data limitations and timeliness, estimates of the Utah travel and tourism industry were made using proxies such as highway traffic counts, national park visitations, and national traveler surveys. As data has become better and more timely, specifically at the state level, estimates of travel and tourism spending and related employment are no longer primarily based on aggregating secondary data such as visitor counts. These techniques have given way to using employment and wage, and taxable sales and services reports to estimate the size of both the state-level and county-level travel and tourism industry, yielding what are felt to be much more reliable estimates. In addition, 2001 marked the change-over from the old Standard Industry Classification (SIC) to the North American Industrial Classification System (NAICS) for reporting industry employment and wages. This change-over has prompted the recalculation of travel and tourism related employment and spending in Utah, based on NAICS-defined industry location quotients[1] for employment.

Defining the Travel and Tourism Industry

The definition developed by the World Travel and Tourism Council is now the one generally used when assessing the size of the travel and tourism industry. Travel and tourism is defined as the "activities of persons traveling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business and other purposes." In addition, a distance component, 75 miles from home, is generally added to provide a boundary for "usual environment." While this definition is intended to exclude, for example, commuting to and from work, it does include spending resulting from both business and leisure activities, regardless of the duration of the trip (less than a year). Unfortunately, it also includes activities like "shopping" trips outside one's "usual environment." Also, necessarily, this definition does not distinguish between a non-resident traveler and a Utah resident. The single largest problem when trying to measure travel and tourism, however, is that it is not an industry in the strict sense, but an array of goods and services associated with an activity, and which generally constitute a share of other, defined industries. That is, the share of an industry's output that goes to travel and tourism is difficult to determine directly on the supply side (e.g., employment and wages), since travel and tourism is a demand-side concept.

Moreover, when measuring the impact of travel and tourism, a major concern is to determine the "export" sector of travel and tourism, that is, the new spending that is brought to a country, state, or county from non-resident visitors. From a county perspective, money spent by a tourist

1 Location Quotient (LQ) is state industry employment as a percent of total state nonfarm employment compared to U.S. industry employment as a percent of total U.S. nonfarm employment.

LQ = (Es,i/Es,Tot) / (EUS,i/EUS,Tot)
E = Employment
s = State (Utah)
i = Industry (NAICS Code)
% export related = (LQ-1) / LQ Tot = Total Travel and Tourist Related Employment

from another part of Utah is no different than money spent by a visitor from another state. From a state perspective, however, tourism is an export activity only when the spending is by a non-Utah resident. Likewise, international travel is a primary concern for national travel and tourism organizations. For this reason, in the past, the Department of Community and Economic Development and Utah Travel Council used two different sets of data for assessing statewide versus county-based tourism.

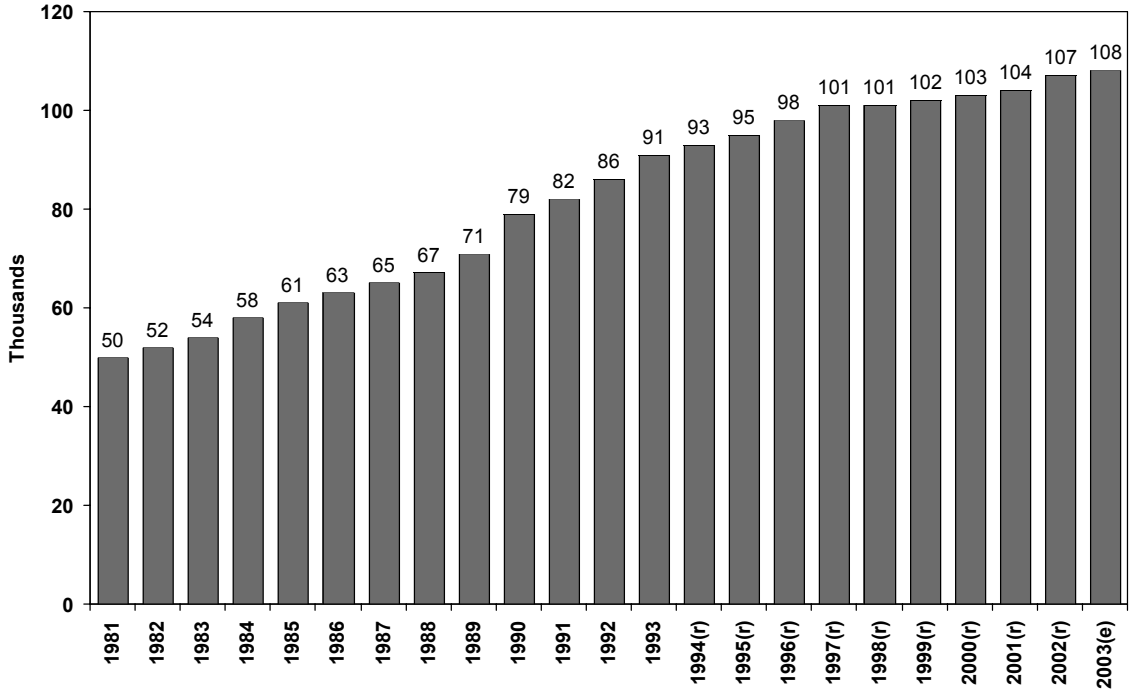
Estimating Statewide Travel and Tourism Employment

Originally, the statewide estimates of travel and tourism-related employment were simply the aggregated county figures which, as noted, were estimates based on such things as traffic counts on major highways around the state and national park visitation figures. Among the flaws in this approach, however, was that this estimate of travel and tourist related employment did not provide any data to distinguish between Utah residents' in-state travel, and non-resident travelers. Also, it resulted in estimates for some counties that were counter-intuitive. A new model was developed in 1995 based on an analysis of SIC employment data at the four-digit level. A list of 95 SIC defined travel and tourism-affected industries were selected by a workgroup of economists from the Utah Department of Workforce Services, the Department of Community and Economic Development, and the Governor's Office of Planning and Budget. Location quotients (the ratio of employment in each industry compared to the national average) were calculated for the 95 selected industries. Additional adjustments were made for a few industries, such as airlines, that could be considered almost completely tourism and travel dependent. In order to simplify the analysis, the ratio of travel and tourism employment (as defined by the location quotient) to total nonagricultural employment was combined as a weighted average to 19 broader categories at the two-digit SIC codes. Because significant fluctuations in the location quotients were considered unlikely, these ratios have been used to calculate tourism-related employment in subsequent years. Periodic recalculations were planned for approximately every five years.

However, this consensus was reached before either the full effects of the boom economy in the 1990s or the 2002 Olympic Winter Games were realized. Moreover, 2001 began the conversion from SIC based industry codes to the new NAICS. Consequently, the Department of Community and Economic Development has converted the old travel and tourism SIC codes to the new NAICS coding and updated the location quotients used to determine travel and tourism related employment. Because it now seems that travel and tourism related employment and spending may fluctuate more than previously thought, and because state and national data is available on an increasingly timely basis, the hope is to update the state and county location quotients at least every other year.

In addition to the direct travel related employment figures, statewide indirect and induced tourism employment are calculated based on RIMS II employment multipliers for the included industries. Whereas direct tourism employment represents jobs immediately created by tourism spending, indirect and induced employment represent additional employment that occurs as the initial spending spreads through the economy. Indirect and induced jobs are created as travel industry businesses purchase goods and services from local suppliers or as travel and tourism employees spend their salaries on local goods and services.

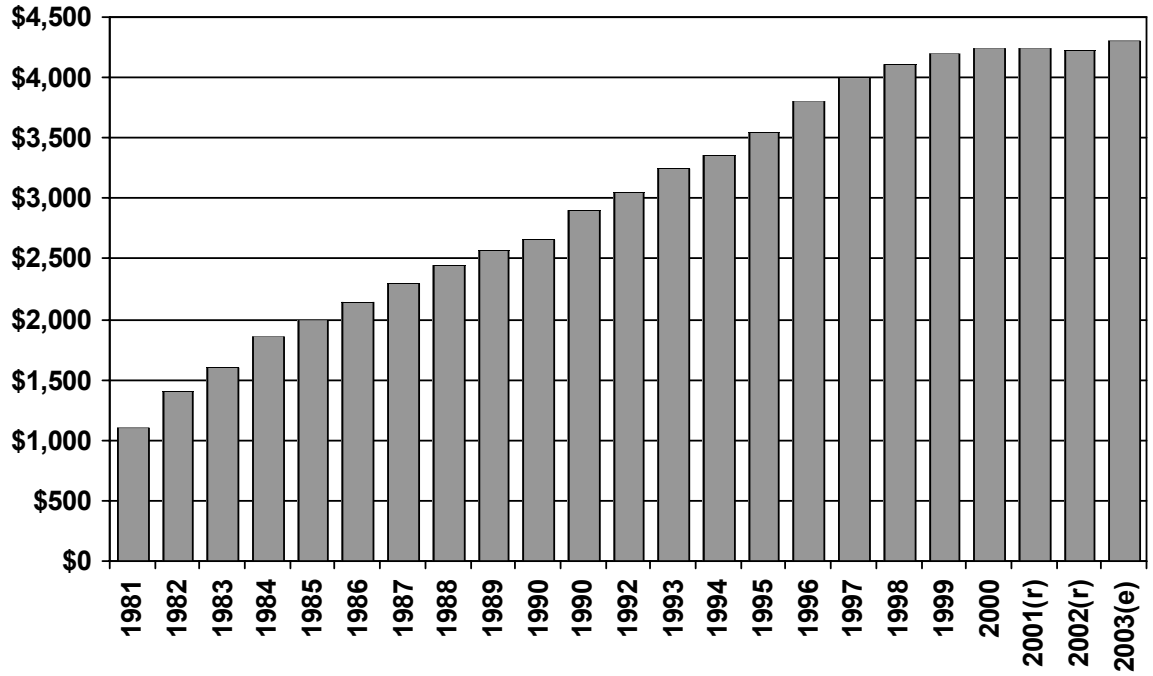
Figure 63
Utah Tourism Indicators -- Travel-Related Employment (Thousands of Jobs)



Source: Utah Department of Community and Economic Development

r = revised
e = estimate

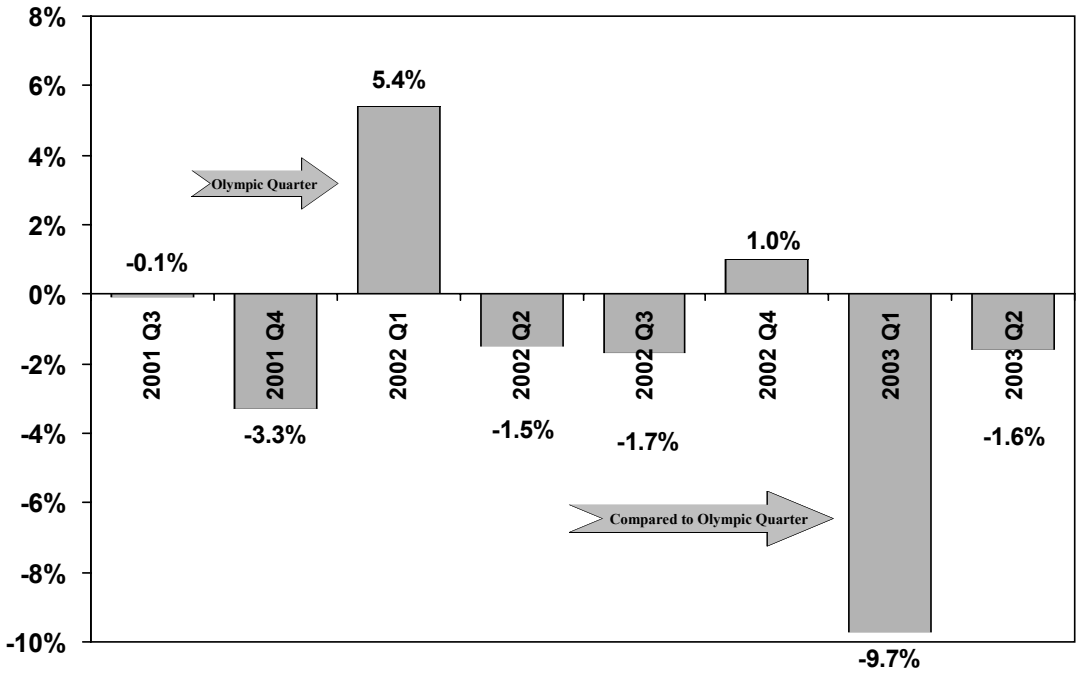
Figure 64
Utah Tourism Indicators -- Traveler Spending (Millions of Current Dollars)



Source: Utah Division of Travel Development

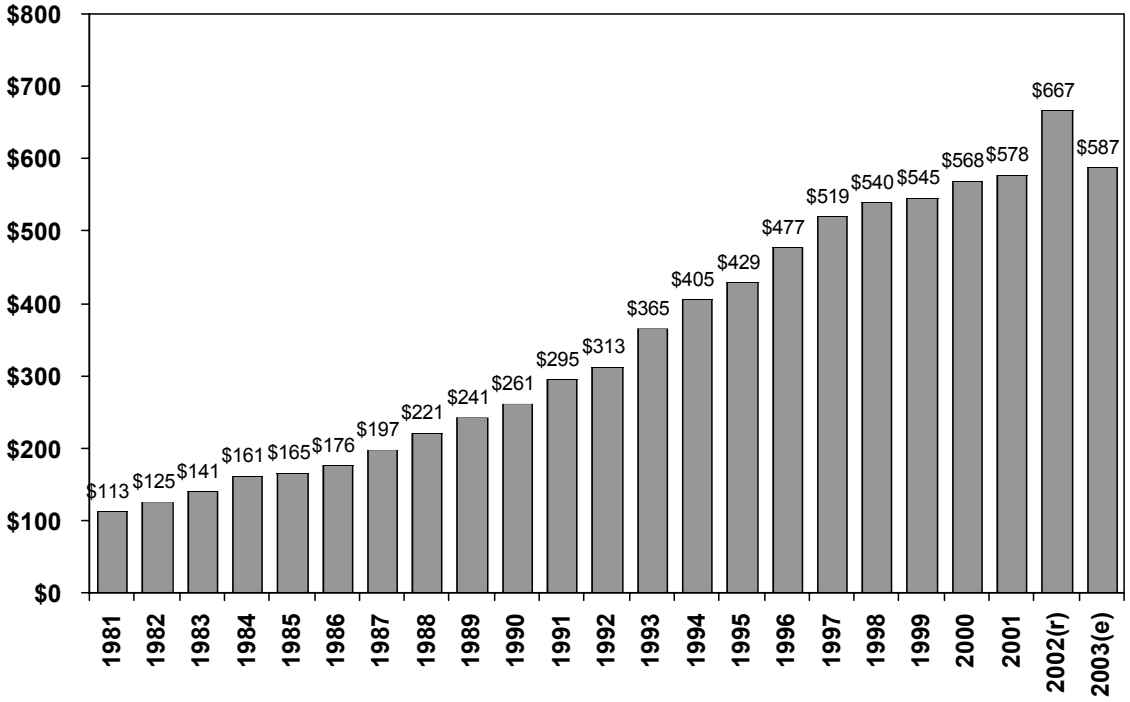
r = revised
e = estimate

Figure 65
Utah Tourism Indicators -- Tourism Sector Taxable Sales, Percent Change: FY 2002 - FY 2003



Source: Utah State Tax Commission

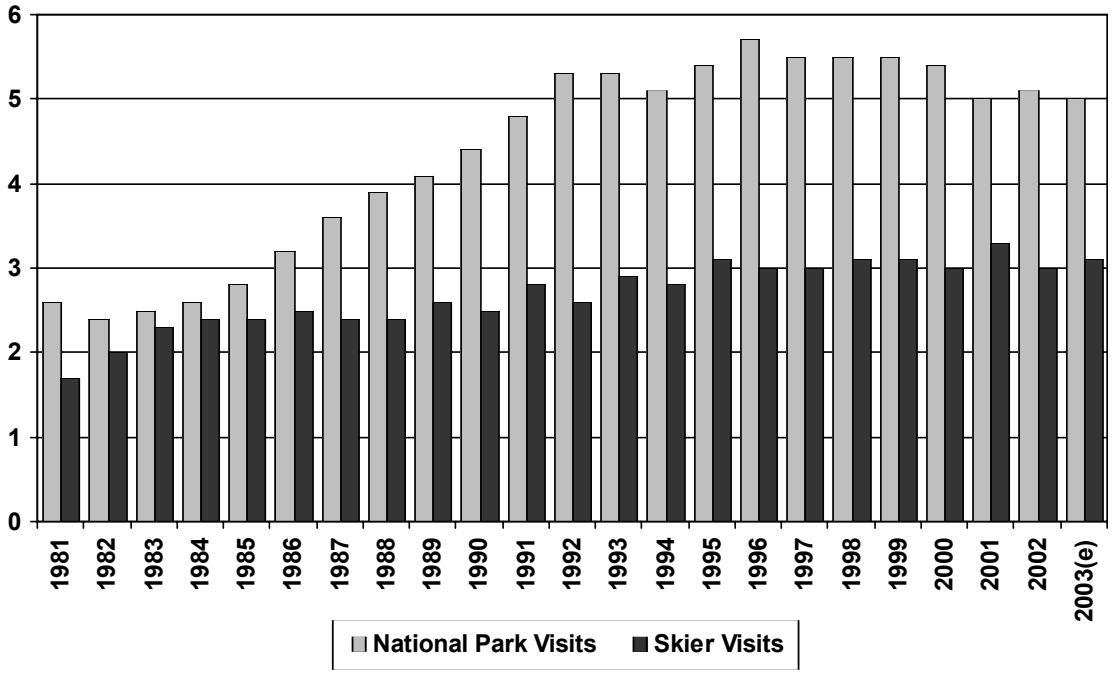
Figure 66
Utah Tourism Indicators -- Hotel Room Rents (Millions of Current Dollars)



Source: Utah State Tax Commission

r = revised
e = estimate

Figure 67
Utah Tourism Indicators -- National Park and Skier Visits (Millions of Visits)



Sources: National Park Service; Ski Utah

Table 81
Tourism Indicators: Impacts of the 2002 Olympic Winter Games

ECONOMIC INDICATORS	2001 Q3	2001 Q4	2002 Q1	2002 Q2	2002 Q3	2002 Q4	2003 Q1	2003 Q2
Transportation	4%	-17%	-25%	-30%	-36%	-42%	-35%	-22%
Eating & Drinking	1%	-1%	6%	3%	1%	3%	-3%	2%
Auto Rentals	-4%	-1%	-15%	-25%	-11%	-6%	-6%	-2%
Hotels & Lodging	-4%	-7%	31%	6%	2%	6%	-32%	-5%
Amusement & Recreation	1%	-6%	1%	3%	0%	-2%	-1%	-5%
Total Tourism Sector	**0%**	**-3%**	**5%**	**-2%**	**-2%**	**0%**	**-10%**	**-2%**

VOLUME INDICATORS	2001 Q3	2001 Q4	2002 Q1	2002 Q2	2002 Q3	2002 Q4	2003 Q1	2003 Q2
Airport Passengers	-9%	-8%	-6%	-5%	-1%	8%	3%	-4%
National Park Visitors	-7%	-9%	30%	12%	1%	14%	-4%	-4%
National Mon. & Rec. Area Visitors	-5%	0%	-6%	-12%	-13%	2%	-11%	-8%
State Park Visitors	-7%	-8%	42%	-11%	-10%	-15%	-51%	-3%
Welcome Center Visitors	-15%	1%	11%	0%	2%	3%	-12%	-3%
Stateline Interstate Traffic	3%	5%	8%	6%	4%	5%	-1%	0%
Statewide Hotel Occupancy Rate	-3%	-2%	4%	2%	0%	3%	-9%	-4%
Utah.com Website Visits	17%	8%	108%	58%	27%	-5%	-40%	-16%

Note: Percent changes are for the same quarter of the previous year.

Source: Utah Division of Travel Development, compiled from reporting agencies.

Table 82
Profile of the Utah Travel Industry

Category	1996(r)	1997(r)	1998(r)	1999(r)	2000(r)	2001(r)	2002(r)	2003(e)	% Change 2002-2003	AAPC
Total Spending by Travelers and Tourists (millions)	$3,800	$4,000	$4,100	$4,200	$4,250	$4,240	$4,230	$4,300	1.7%	1.9%
Total Number of Foreign and Domestic Visits (millions)	17.0	17.4	17.8	18.2	17.7	17.3	17.3	17.2	-0.6%	0.2%
Number of U.S. Visits	16.1	16.7	17.2	17.5	17.1	16.7	16.7	16.6	-0.6%	0.4%
Number of Foreign Visits	0.88	0.72	0.64	0.69	0.70	0.60	0.61	0.59	-3.3%	-5.5%
Total Travel and Recreation-Related Employment	98,300	100,800	101,200	102,200	102,900	104,000	106,700	107,500	0.7%	1.3%
Direct Travel and Recreation-Related Employment	67,400	69,100	69,400	70,100	70,600	71,300	73,200	73,700	0.7%	1.3%
Indirect Travel and Recreation-Related Employment	30,900	31,700	31,800	32,100	32,300	32,700	33,500	33,800	0.9%	1.3%
Percent of All Utah Non-Agricultural Jobs	10.3%	10.1%	9.9%	9.7%	9.6%	9.6%	9.9%	10.0%	(x)	(x)
Total Direct State and Local Taxes Generated by Travel Spending (millions)	$304	$320	$328	$336	$340	$336	$335	$341	1.8%	1.7%
State Government Portion	$225	$237	$243	$249	$252	$247	$247	$251	1.6%	1.6%
Local Government Portion	$79	$83	$85	$87	$88	$89	$89	$90	1.1%	1.9%
Total Airline Passengers at Salt Lake International Airport (millions)	21.1	21.1	20.3	19.9	19.9	18.4	18.7	18.7	0.0%	-1.7%
Total Traffic Count at Interstate Borders (millions)	18.0	18.7	19.6	20.7	21.2	21.7	22.9	22.7	-0.9%	3.5%
Total National Park Recreation Visits (millions)	5.7	5.5	5.5	5.5	5.3	4.9	5.1	5.0	-2.0%	-1.9%
Total Skier Visits (millions)	2.9	3.0	3.1	3.1	3.0	3.3	3.0	3.1	3.3%	1.0%
Total State Park Visits (millions)	7.5	7.2	6.9	6.8	6.6	6.1	5.8	4.5	-22.4%	-7.0%
Taxable Room Rents (millions)	$477	$519	$540	$545	$568	$578	$667	$587	-12.0%	3.0%
Hotel/Motel Occupancy Rates	73.1%	68.0%	63.8%	61.6%	60.9%	59.9%	62.1%	59.3%	(x)	(x)

r = revised
e = estimate

AAPC = Average Annual Percent Change

Sources: Estimates are based on information gathered from a variety of sources including National Park Service, Utah State Tax Commission, Utah Department of Transportation, Utah Department of Workforce Services, Utah Department of Natural Resources, Salt Lake International Airport, U.S. Department of Commerce, Ski Utah, and the Rocky Mountain Lodging Report

Table 83
Utah Tourism Indicators

Year	Hotel Room Rents (Current $)	National Park Visits	State Park Visits	Salt Lake Int'l. Airport Passengers	Skier Visits	Stateline Vehicle Crossings	Hotel Occupancy Rate	Travel-Related Employment	Traveler Spending (Millions)
1981	$113,273,174	2,577,112	6,430,174	4,149,316	1,726,000	na	na	50,000	$1,100
1982	124,787,207	2,443,787	6,436,488	5,861,477	2,038,544	na	na	52,000	1,400
1983	140,728,877	2,465,294	5,214,498	7,059,964	2,317,255	na	na	54,000	1,600
1984	161,217,797	2,616,301	4,400,103	7,514,113	2,369,901	na	na	58,000	1,850
1985	165,280,248	2,804,693	4,846,637	8,984,780	2,436,544	na	na	60,700	2,000
1986	175,807,344	3,224,694	5,387,791	9,990,986	2,491,191	na	na	62,500	2,150
1987	196,960,612	3,566,069	5,489,539	10,163,883	2,440,668	na	na	64,500	2,300
1988	220,687,694	3,941,791	5,072,123	10,408,233	2,368,985	na	na	67,000	2,450
1989	240,959,095	4,135,399	4,917,615	11,898,847	2,572,154	na	na	71,000	2,570
1990	261,017,079	4,425,086	5,033,776	11,982,276	2,500,134	14,135,400	63.8%	79,000	2,660
1991	295,490,324	4,829,317	5,425,129	12,477,926	2,751,551	14,886,000	69.4%	82,000	2,900
1992	312,895,967	5,280,100	5,908,000	13,870,609	2,560,805	15,510,600	70.3%	86,000	3,050
1993	352,445,691	5,338,707	6,950,063	15,894,404	2,850,000	15,669,500	71.9%	91,000	3,250
1994	378,024,547	5,111,400	6,953,400	17,564,149	2,800,000	16,589,300	73.7%	93,400(r)	3,350
1995	429,189,045	5,381,717	7,070,702	18,460,000	3,113,800	17,301,000	73.5%	94,600(r)	3,550
1996	477,409,577	5,749,110	7,478,764	21,088,482	2,954,690	17,963,500	73.1%	98,300(r)	3,800
1997	519,160,181	5,537,260	7,184,639	21,068,314	3,042,767	18,696,400	68.0%	100,800(r)	4,000
1998	540,424,182	5,466,090	6,943,780	20,297,371	3,101,735	19,590,300	63.8%	101,200(r)	4,100
1999	545,328,875	5,527,478	6,768,016	19,944,556	3,144,328	20,675,000	61.6%	102,200(r)	4,200
2000	567,708,954	5,322,266	6,555,299	19,900,770	2,976,769	21,191,900	60.9%	102,900(r)	4,250
2001	578,445,705	4,946,487	6,075,456	18,367,961	3,278,291	21,721,698	59.9%	104,000(r)	4,240
2002(r)	666,718,674	5,147,950	5,755,782	18,652,758	2,974,574	22,916,391	62.1%	106,700	4,230
2003(e)	586,712,433	4,980,930	4,506,777	18,671,410	3,141,212	22,710,143	59.3%	107,500	4,300
Percent Change									
1981-2003	418.0%	93.3%	-29.9%	350.0%	82.0%	60.7%	-4.5%	115.0%	290.9%
2002-2003	-12.0%	-3.2%	-21.7%	0.1%	5.6%	-0.9%	-2.8%	0.7%	1.7%
Average Annual Rate of Change									
1981-2003	7.8%	3.0%	-1.6%	7.1%	2.8%	4.0%	66.5%	3.5%	6.4%

r = revised
e = estimate

Sources: National Park Service, Utah State Tax Commission, Utah Department of Transportation, Utah Department of Workforce Services, Utah Department of Natural Resources, Salt Lake International Airport, Ski Utah, adapted by Utah Division of Travel Development

Table 84
National Parks' Recreation Visits

Year	Arches	Bryce Canyon	Canyonlands	Capitol Reef	Zions	Total National Parks
1981	326,508	474,092	89,915	397,789	1,288,808	2,577,112
1982	339,415	471,517	97,079	289,486	1,246,290	2,443,787
1983	287,875	472,633	100,022	331,734	1,273,030	2,465,294
1984	345,180	495,104	102,533	296,230	1,377,254	2,616,301
1985	363,464	500,782	116,672	320,503	1,503,272	2,804,693
1986	419,444	578,018	172,987	383,742	1,670,503	3,224,694
1987	468,916	718,342	172,384	428,808	1,777,619	3,566,069
1988	520,455	791,348	212,100	469,556	1,948,332	3,941,791
1989	555,809	808,045	257,411	515,278	1,998,856	4,135,399
1990	620,719	862,659	276,831	562,477	2,102,400	4,425,086
1991	705,882	929,067	339,315	618,056	2,236,997	4,829,317
1992	799,831	1,018,174	395,698	675,837	2,390,626	5,280,166
1993	773,678	1,107,951	434,844	610,707	2,392,580	5,319,760
1994	777,178	1,028,134	429,921	605,324	2,270,871	5,111,428
1995	859,374	994,548	448,769	648,864	2,430,162	5,381,717
1996	856,016	1,269,600	447,527	678,012	2,498,001	5,749,156
1997	858,525	1,174,824	432,697	625,680	2,445,534	5,537,260
1998	837,161	1,166,331	436,524	656,026	2,370,048	5,466,090
1999	869,980	1,081,521	446,160	680,153	2,449,664	5,527,478
2000	786,429	1,099,275	401,558	612,656	2,432,348	5,332,266
2001	754,026	1,068,619	368,592	527,760	2,227,490	4,946,487
2002(r)	769,672	886,436	375,549	523,458	2,592,835	5,147,950
2003(e)	761,206	901,505	392,073	533,927	2,442,451	5,031,162
Percent Change						
1981-2003	133.1%	90.2%	336.0%	34.2%	89.5%	95.2%
2002-2003	-1.1%	1.7%	4.4%	2.0%	-5.8%	-2.3%
Average Annual Rate of Change						
1981-2003	3.9%	3.0%	6.9%	1.3%	2.9%	3.1%

r = revised
e = estimate

Source: National Park Service

Table 85
Travel and Tourist Related NAICS Codes

Retail Trade:
- 441 Motor Vehicle and Parts Dealers - location quotient employment
- 442 Furniture and Home Furnishings Stores - location quotient employment
- 443 Electronics and Appliance Stores - location quotient employment
- 444 Building Material, Garden Equipment and Supplies - location quotient employment
- 445 Food and Beverage Stores - location quotient employment
- 446 Health and Personal Care Stores - location quotient employment
- 447 Gasoline Stations - location quotient employment
- 448 Clothing and Clothing Accessories Stores - location quotient employment
- 451 Sporting Goods, Hobby, Book, and Music Stores - location quotient employment
- 452 General Merchandise Stores - location quotient employment
- 453 Miscellaneous Store Retailers - location quotient employment

Transportation and Warehousing:
- 481 Air Transportation - all employment
- 482 Rail Transportation - location quotient employment
- 483 Water Transportation - location quotient employment
- 485 Transit and Ground Passenger Transportation - location quotient employment
- 487 Scenic and Sightseeing Transportation - location quotient employment
- 488 Support Activities for Transportation - location quotient employment

Real Estate and Rental and Leasing:
- 531 Real Estate - location quotient employment
- 532 Rental and Leasing Services - location quotient employment

Administrative, Support, Waste Management and Remediation Services:
- 561 Administrative and Support Services - all travel agencies, tour operators, convention bureaus

Health Care and Social Assistance:
- 621 Ambulatory Health Care Services - location quotient employment

Arts, Entertainment, and Recreation:
- 711 Performing Arts and Spectator Sports - location quotient employment
- 712 Museums, Historical Sites, and Similar Institutions - all employment
- 713 Amusement, Gambling, and Recreation Industries - location quotient employment

Accomodation and Food Services:
- 721 Accommodation - location quotient employment
- 722 Food Services and Drinking Places - higher of location quotient or 25% of total employment

Other Services (except Public Administration):
- 811 Repair and Maintenance - location quotient employment
- 812 Personal and Laundry Services - location quotient employment

Public Administration:
- 922 Justice, Public Order, and Safety Activities - location quotient employment
- 924 Administration of Environmental Quality Programs - location quotient employment

Special Topics

QGET Baseline Scenario

Overview

The Quality Growth Efficiency Tools (QGET) Work Group, whose mission it is to improve the quality of information available about Utah's future, authored the *2003 Baseline Growth Scenario* to provide a comprehensive depiction of what current projections indicate regarding the demographic, economic, air quality, water, transportation, and land use future of the Greater Wasatch Area. The Greater Wasatch Area includes a 10-county region along the front and back of the Wasatch Mountain Range and can reasonably be considered the commutershed for the Salt Lake-Ogden and Provo-Orem metropolitan areas. The area includes 10 counties, about 100 cities and 160 special service districts. These multiple jurisdictions, along with state government and the Utah Transit Authority, share responsibility for providing infrastructure and services to two million people. The steady and rapid population growth within the region places increasing demands on these entities. The growth also places a strain on the environment because of the unique geographical layout of the area, which is bounded by mountain ranges and water bodies and includes land that is essentially arid. This chapter highlights the findings of the *2003 Baseline Growth Scenario* including projections to the year 2030 based on current trends and policies.

Demographics and Economics

The Greater Wasatch is projected to increase from 1.9 million people in 2000--a population slightly larger than the Sacramento metro area--to 3.1 million by 2030--a population slightly smaller than the current Phoenix metro area. The projections to 2030 indicate a population growth rate approximately twice the national average. Two-thirds of the new growth is projected to originate from residents' own children and grandchildren. The population is projected to increase by an average of 42,000 residents a year--a population about the current size of Logan. Throughout the projection period, the economy is projected to create enough jobs for residents.

Air Quality

In sharp contrast to the 1997 Baseline, during the next three decades emissions of all five of the major monitored pollutants are not projected to increase. Because of more stringent federal standards for auto emissions and better controls on industrial sources, the air is expected to improve somewhat over the next two decades. During the 2020s, however, projected population growth is expected to outweigh auto and industrial controls, so that, without technical or regulatory changes, air quality returns to its present state by 2030. Federal air standards should be attained throughout the period to 2030, and air quality should not be a constraint to growth.

Water

Water is not a constraint to growth in the Greater Wasatch as long as residents are willing to pay for additional water development and water providers are willing to work together to deliver adequate supplies. Residents are expected to decrease per capita water consumption because of a continuation of current trends in the use of low flow plumbing, xeriscaping, and rate increases. Reflecting the difficulty of developing new supplies, water rates, after adjusting for inflation, are projected to more than double between 2000 and 2030. Water infrastructure development is projected to cost almost $8 billion between 2000 and 2030 (2003 dollars). This is $2,500 per person and $7,200 per household.

Infrastructure Costs

Infrastructure spending between 2000 and 2030 is projected to be $28.9 billion (2003 dollars); $21.0 billion for transportation and $7.9 billion for water. After peaking at over $1 billion in 2000 during the height of I-15 reconstruction in Salt Lake County, total infrastructure spending is not projected to exceed $1 billion until 2019.

The estimated timing of spending is based on funding availability and need. If several large projects are undertaken at once with bond financing, total spending in any given year could exceed $2 billion. As a percent of Greater Wasatch gross domestic product (GDP), the Governor's Office of Planning and Budget (GOPB) forecasts infrastructure spending to decline from a peak above 1.6% during 2000, to a range of 0.6% during the 2020s. Spending averages 0.8% of GDP from 2000 to 2030. If GDP grows as forecast, the Greater Wasatch will be able to finance planned infrastructure over the next three decades. With less federal participation, the effort required from residents may be somewhat higher than in the past.

Housing

Housing construction is driven by new household formation. The number of households is projected to increase 90% from 2000 to 2030, a faster rate of increase than for population. Following household growth, the housing stock is projected to increase from 621,000 units to 1.2 million. In other words, almost 600,000 new housing units will be constructed, an average of almost 20,000 per year. Over the next three decades, housing prices should increase somewhat more than the historical long-term trend of 4.5% annually. This higher rate of increase results from the growing scarcity of developable land in Salt Lake County.

Transportation

Vehicle miles traveled in the Greater Wasatch Area is projected to increase at a faster rate than population. This is projected to occur as residents continue to increase vehicle ownership, drive farther for work trips, and make more non-work trips. Relative to the 1997 Baseline, 2003 Baseline transportation investment has increased substantially, especially for transit. Because of this increased investment and refinements to travel modeling techniques, the transportation system is projected to perform better in the 2003 Baseline than was the case in the 1997 Baseline.

Over the entire highway network during peak commute times, the current delay averages about two minutes. Of course, many people who use congested facilities experience more delay than two minutes. The average delay is expected to double by 2030 to over four minutes. Average commute speed is expected to drop from about 31 mph now to 28 mph in 2030, while the average time commuting increases from 22 minutes to 24 minutes. One of the major benefits of the massive transit investments that are planned is that people can choose not to drive during peak congestion, which allows the highway network to perform relatively well. Transit share of work trips increases from 3.6% in 2000 to 6.5% in 2030. Transportation infrastructure investment is projected to exceed $20 billion (2003 dollars) between 2000 and 2030. This is $6,700 per person and $19,000 per household in the year 2030.

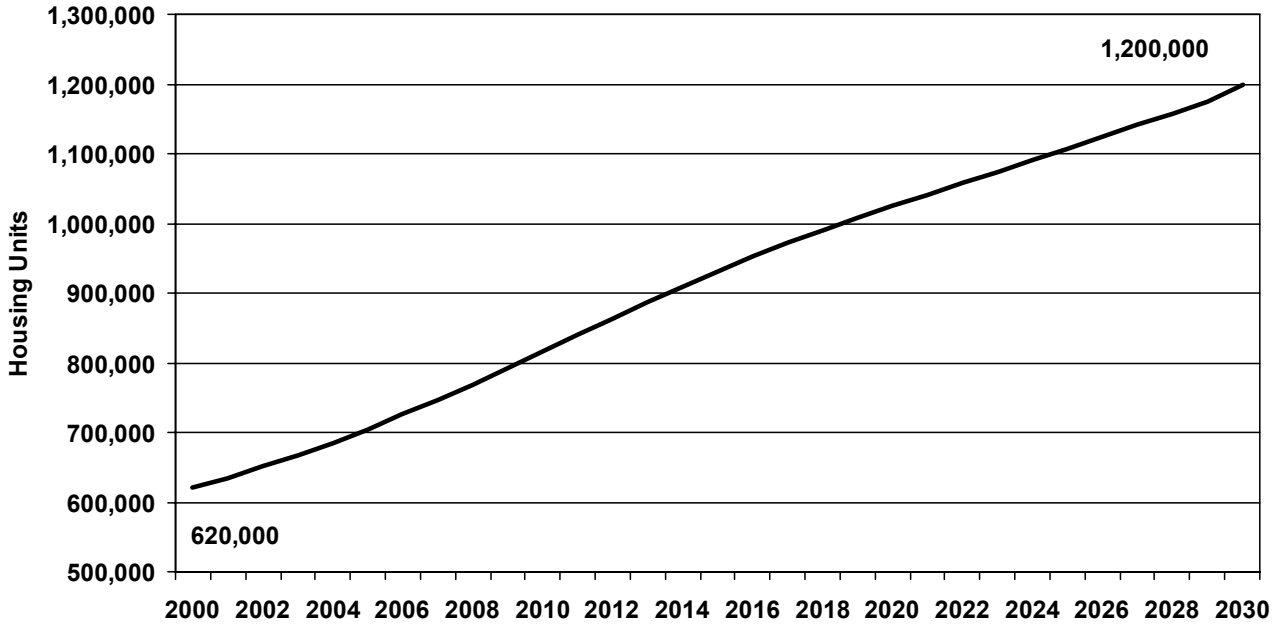
Land Use

Population growth will change land use patterns as new homes and businesses are built. The current urban area occupies an estimated 389 square miles of land and is projected to increase to 615 square miles in 2020 and 697 square miles in 2030. Agricultural and other land uses will be converted to resident use as the demand for new housing continues to increase. Reflecting the current trend of lower density home construction, population density in the urban area will decline from 4,771 people per square mile in 2000 to 4,484 in 2030. Nonetheless, while the 1997 Baseline forecast an urban area of 695 square miles by 2020, the urban area in the 2003 Baseline is not forecast to reach 695 square miles until 2030. Policy changes since the 1997 Baseline, which include a massive expansion in the transit system, more transit oriented development, and aggressive conservation of critical lands, are expected to slow the pace of land consumption by a decade.

On the Web

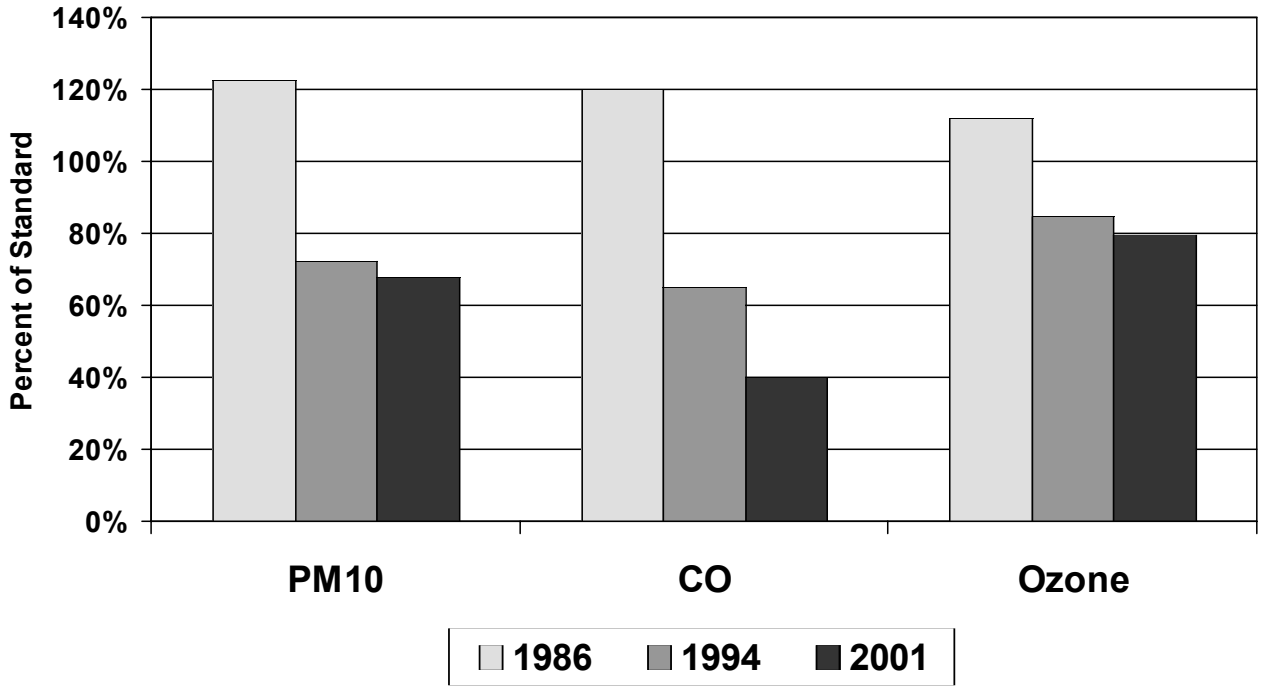
The *2003 Baseline Scenario* is viewable on the web in its entirety at http://www.governor.utah.gov/dea/2003BaselineWEB.pdf.

Figure 68
Housing Stock -- Greater Wasatch



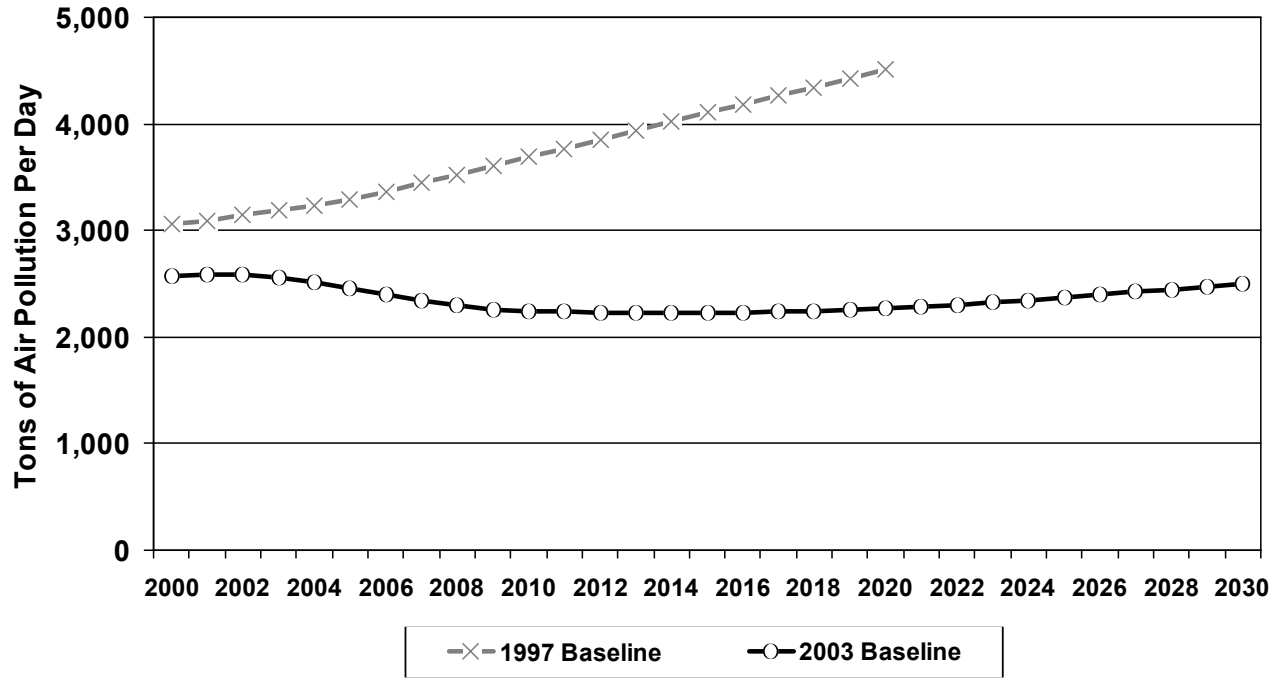
Source: Bureau of Economic and Business Research

Figure 69
Air Quality Trends for Highest Pollution Days -- Greater Wasatch



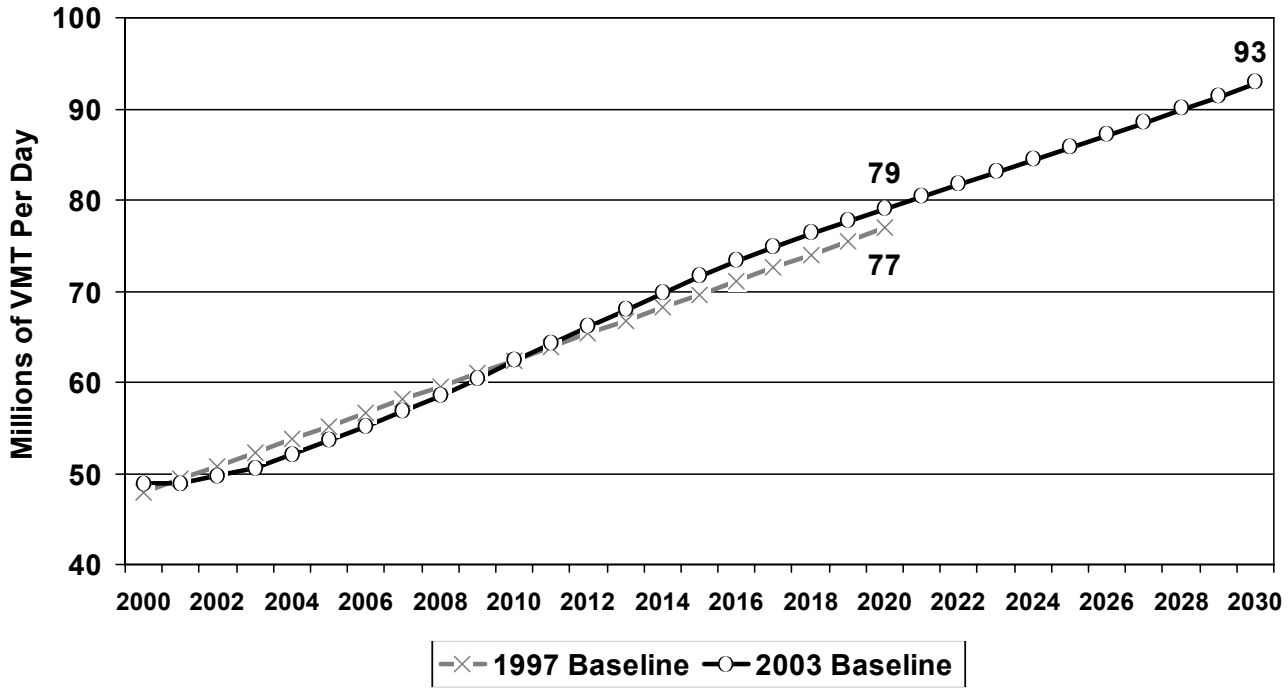
Source: Division of Air Quality

Figure 70
Air Quality: Pollution Emissions -- Greater Wasatch



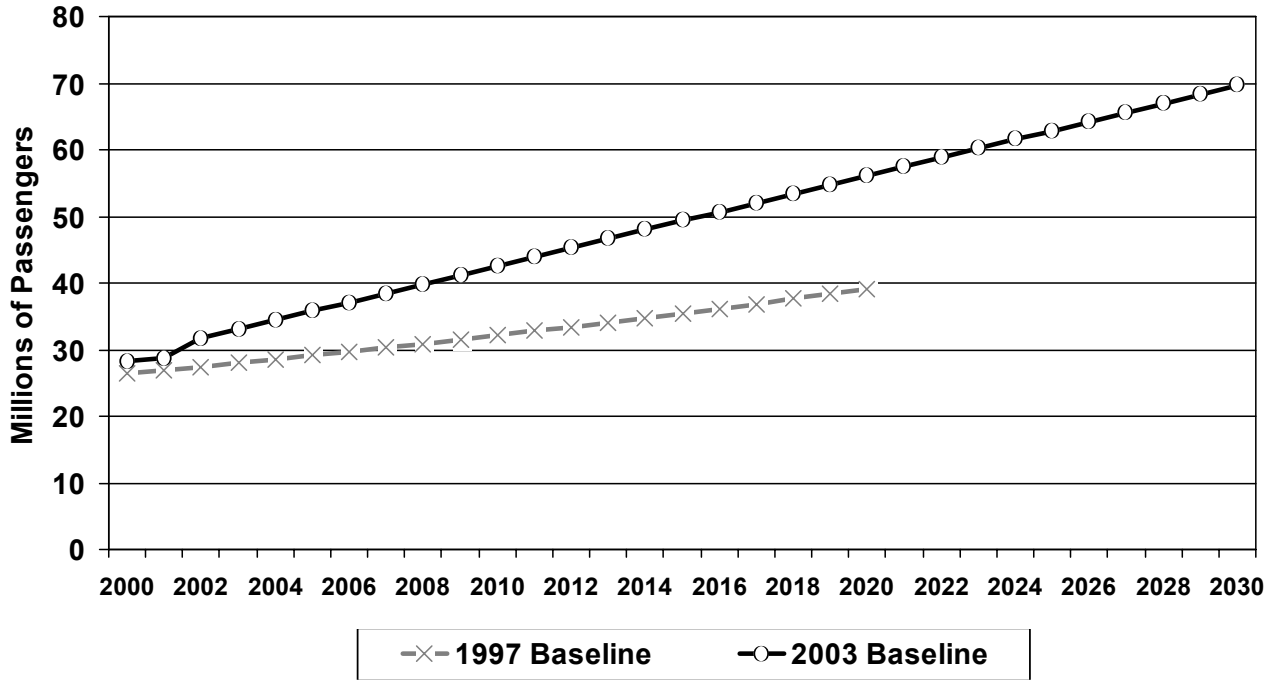
Source: Division of Air Quality

Figure 71
Vehicle Miles Traveled -- Greater Wasatch



Sources: Wasatch Front Regional Council, Utah Department of Transportation, and the Governor's Office of Planning & Budget

Figure 72
Transit Use -- Greater Wasatch



Source: Utah Transit Authority

Table 86
Transportation Characteristics for the Greater Wasatch Area: 2000 to 2030
Davis, Salt Lake, Utah, Weber, Box Elder, Juab, Morgan, Summit, Tooele and Wasatch Counties

	2000	2010	2020	2030
Average Weekday VMT (millions)	48.9	62.3	79.0	92.8
VMT Per Capita	25.7	27.0	28.3	29.7
Vehicles Per Capita*	0.58	0.69	0.67	0.67
Peak Period Trip Time (minutes)*	21.8	22.5	23.6	24.0
Average Peak Period Speed (mph)*	31.1	30.6	28.6	28.5
Average Peak Period Delay (vehicle-hours)*	94,000	116,000	199,000	295,000
Peak Period Delay Per Trip (minutes)*	2.1	2.3	3.3	4.4
Transit Passengers (millions)*	28.2	42.5	56.1	69.6
Transit Share of All Trips*	1.2%	1.4%	1.6%	1.8%
Transit Share of Work Trips*	3.6%	4.9%	5.8%	6.5%

	2000-2010	2000-2020	2000-2030
Population Growth From Base Year	407,696	886,134	1,224,207
VMT Growth From Base Year	13,362,369	30,068,081	43,829,986

Notes: * Metro counties only
VMT refers to vehicle miles traveled

Sources: Wasatch Front Regional Council, Mountianland Association of Government, Utah Department of Transportation, and the Governor's Office of Planning & Budget

Table 8
Population and Components of Population Change for the Greater Wasatch Area: 2000 to 2030
Davis, Salt Lake, Utah, Weber, Box Elder, Juab, Morgan, Summit, Tooele and Wasatch Counties

	Population		2003 Baseline									
Year	1997 Baseline	2003 Baseline	Percent Change	Numerical Change	Net Migration	Natural Increase	Births	Deaths	Households	Household Percent Change	Household Numerical Change	Persons Per Household
2000	1,779,653	1,857,797	2.55%	46,200	16,334	29,866	39,319	9,453	580,927	NA		3.14
2001	1,814,948	1,900,146	2.28%	42,349	12,116	30,235	40,130	9,895	597,276	2.81%	16,349	3.13
2002	1,869,730	1,918,874	0.99%	18,728	(12,080)	30,804	41,297	10,493	606,249	1.50%	8,973	3.11
2003	1,884,736	1,945,571	1.39%	26,697	(4,237)	30,932	41,454	10,522	617,562	1.87%	11,313	3.10
2004	1,930,907	1,992,130	2.39%	46,559	15,373	31,188	41,802	10,614	635,277	2.87%	17,715	3.08
2005	1,978,319	2,036,991	2.25%	44,861	12,981	31,879	42,672	10,793	653,352	2.85%	18,075	3.07
2006	2,025,380	2,083,657	2.29%	46,666	14,190	32,475	43,451	10,976	673,011	3.01%	19,659	3.05
2007	2,074,203	2,134,130	2.42%	50,473	17,574	32,897	44,089	11,192	692,055	2.83%	19,044	3.03
2008	2,126,262	2,186,101	2.44%	51,971	18,612	33,359	44,797	11,438	711,929	2.87%	19,874	3.02
2009	2,180,279	2,246,515	2.76%	60,414	26,610	33,803	45,475	11,672	734,089	3.11%	22,160	3.01
2010	2,233,488	2,307,842	2.73%	61,327	26,993	34,336	46,289	11,953	756,530	3.06%	22,441	3.00
2011	2,283,506	2,364,846	2.47%	57,004	22,255	34,746	47,014	12,268	777,317	2.75%	20,787	2.99
2012	2,335,273	2,423,952	2.50%	59,106	24,101	35,008	47,550	12,542	799,103	2.80%	21,786	2.99
2013	2,387,200	2,480,860	2.35%	56,908	21,597	35,306	48,135	12,829	820,251	2.65%	21,148	2.98
2014	2,435,529	2,535,672	2.21%	54,812	19,306	35,506	48,618	13,112	841,005	2.53%	20,754	2.97
2015	2,482,455	2,587,089	2.03%	51,417	15,843	35,574	48,991	13,417	861,287	2.41%	20,282	2.96
2016	2,527,998	2,634,239	1.82%	47,150	11,589	35,565	49,289	13,724	881,143	2.31%	19,856	2.94
2017	2,570,538	2,677,521	1.64%	43,282	7,829	35,452	49,475	14,023	899,095	2.04%	17,952	2.93
2018	2,613,739	2,717,444	1.49%	39,923	4,614	35,307	49,622	14,315	916,181	1.90%	17,086	2.92
2019	2,654,792	2,752,547	1.29%	35,103	(60)	35,165	49,770	14,605	931,438	1.67%	15,257	2.91
2020	2,695,278	2,786,280	1.23%	33,733	(1,230)	34,963	49,865	14,902	946,578	1.63%	15,140	2.90
2021		2,821,242	1.25%	34,962	217	34,748	50,004	15,256	961,937	1.62%	15,359	2.89
2022		2,855,743	1.22%	34,501	(216)	34,717	50,335	15,618	977,346	1.60%	15,409	2.87
2023		2,889,232	1.17%	33,489	(1,289)	34,779	50,772	15,993	992,287	1.53%	14,941	2.86
2024		2,921,100	1.10%	31,868	(3,040)	34,910	51,302	16,392	1,006,928	1.48%	14,641	2.85
2025		2,954,725	1.15%	33,625	(1,423)	35,046	51,851	16,805	1,022,303	1.53%	15,375	2.84
2026		2,986,931	1.09%	32,206	(3,074)	35,280	52,534	17,254	1,037,781	1.51%	15,478	2.83
2027		3,020,513	1.12%	33,582	(1,938)	35,524	53,225	17,701	1,053,192	1.48%	15,411	2.82
2028		3,054,911	1.14%	34,398	(1,414)	35,812	54,008	18,196	1,068,597	1.46%	15,405	2.81
2029		3,090,542	1.17%	35,631	(461)	36,094	54,843	18,749	1,083,959	1.44%	15,362	2.80
2030		3,124,353	1.09%	33,811	(2,607)	36,418	55,731	19,313	1,098,578	1.35%	14,619	2.80
AARC	2.10%	1.75%	1.78%	42,347	8,228	34,119	47,862	13,742	2.15%	2.15%	17,255	2.95

Notes: AARC is Average Annual Rate of Change
Persons Per Household excludes the group quarters population
Parentheses signify a negative in-migration (i.e. out-migration)

Source: Governor's Office of Planning and Budget - UPED Model System

Table 88
Air Pollution Emissions for the Greater Wasatch Area: 2000 to 2030
Davis, Salt Lake, Utah, Weber, Box Elder, Juab, Morgan, Summit, Tooele and Wasatch Counties

	2003 Baseline Emissions by Pollutant					Total Emissions	
Year	Particulate Matter (PM10)	Sulfur Dioxide (SO2)	Nitrogen Oxides (NOx)	Volatile Organic Compounds (VOCs)	Carbon Monoxide (CO)	1997 Baseline	2003 Baseline
2000	102	33	270	479	1,691	3,064	2,576
2001	103	34	268	483	1,694	3,095	2,581
2002	103	33	263	479	1,707	3,149	2,586
2003	102	33	255	472	1,656	3,192	2,519
2004	105	32	249	469	1,600	3,238	2,455
2005	105	34	245	466	1,589	3,295	2,439
2006	108	34	241	467	1,618	3,366	2,466
2007	110	34	232	465	1,507	3,444	2,347
2008	112	34	223	463	1,445	3,525	2,277
2009	114	34	217	464	1,434	3,607	2,262
2010	116	34	212	463	1,420	3,695	2,244
2011	117	34	206	464	1,414	3,770	2,236
2012	119	35	200	466	1,407	3,849	2,227
2013	121	35	195	467	1,404	3,933	2,222
2014	123	35	191	469	1,405	4,018	2,223
2015	124	36	187	472	1,409	4,104	2,228
2016	125	36	185	474	1,411	4,183	2,232
2017	127	37	183	476	1,417	4,263	2,239
2018	128	37	181	479	1,420	4,344	2,245
2019	129	38	180	481	1,426	4,427	2,254
2020	131	38	179	483	1,434	4,511	2,265
2021	132	38	179	485	1,449		2,283
2022	133	38	178	487	1,467		2,303
2023	135	37	178	489	1,485		2,324
2024	136	37	178	492	1,504		2,347
2025	138	37	177	495	1,524		2,371
2026	139	37	177	498	1,545		2,396
2027	140	37	177	501	1,567		2,422
2028	141	37	177	504	1,586		2,446
2029	142	38	178	507	1,609		2,473
2030	143	38	178	509	1,631		2,499
AARC	1.11%	0.42%	-1.38%	0.20%	-0.12%	1.95%	-0.10%

AARC = Average Annual Rate of Change, 2000 to 2030
Note: Data reflects an annual average tons per day
Source: Utah Division of Air Quality

Table 89
Annual Infrastructure Costs in the Greater Wasatch Area: 2000 to 2030
Davis, Salt Lake, Utah, Weber, Box Elder, Juab, Morgan, Summit, Tooele and Wasatch Counties

	Transportation (Millions of 2003 Dollars)						**Water** (Millions of 2003 Dollars)					
Year	Roads	I-15	Legacy/MV	Rail	Bus	Total	Drinking	CUP	BRP	Waste	Total	Total
2000	574	264	0	120	64	758	230	124	0	55	285	1,043
2001	492	141	35	80	17	589	238	122	0	56	293	882
2002	392	85	0	31	16	439	205	107	0	56	261	700
2003	387	0	0	34	18	440	206	107	0	57	263	703
2004	400	0	0	30	48	478	211	109	0	58	269	747
2005	412	0	56	36	19	467	252	148	0	60	311	778
2006	425	57	56	41	22	488	220	114	0	61	281	769
2007	438	86	66	47	25	510	241	133	0	63	304	814
2008	452	114	76	56	30	538	246	135	0	64	310	849
2009	468	143	67	54	86	608	247	133	0	66	313	921
2010	485	171	66	62	33	580	252	135	0	68	320	900
2011	501	198	65	71	38	609	120	0	0	69	190	798
2012	517	196	82	79	42	638	123	0	0	71	194	832
2013	533	198	85	90	48	671	126	0	0	73	199	870
2014	549	200	85	81	43	673	129	0	0	74	203	876
2015	565	199	85	60	161	786	131	0	0	76	207	994
2016	579	197	90	64	34	677	134	0	0	77	211	888
2017	593	195	90	67	36	696	136	0	0	79	215	911
2018	607	193	80	70	38	715	225	0	87	80	304	1,019
2019	619	190	85	94	50	763	226	0	87	81	307	1,071
2020	632	183	99	94	50	776	228	0	87	82	310	1,086
2021	644	178	128	70	113	828	143	0	0	83	226	1,054
2022	657	183	157	47	25	729	145	0	0	84	229	958
2023	670	188	185	31	17	718	147	0	0	85	232	950
2024	687	198	214	16	8	711	148	0	0	86	234	945
2025	703	208	214	30	16	749	150	0	0	87	237	986
2026	707	228	214	44	24	775	152	0	0	88	239	1,014
2027	715	235	185	59	31	805	153	0	0	89	242	1,047
2028	736	251	183	65	35	836	155	0	0	90	245	1,081
2029	753	272	179	72	38	863	157	0	0	91	248	1,110
2030	797	305	174	72	191	1,060	159	0	0	92	250	1,311
Total	17,689	5,256	3,103	1,865	1,419	20,973	5,636	1,369	260	2,298	7,934	28,907

Sources: Governor's Office of Planning and Budget, Utah Department of Transportation, Mountainland Association of Governments, Wasatch Front Regional Council, Utah Transit Authority, Utah Division of Drinking Water, Utah Division of Water Quality, Utah Division of Water Resources, Central Utah Water Conservancy District, Salt Lake City Department of Public Utilities, Granger Hunter Improvement District.

Immigrants / Foreign-Born Population

Overview

Immigration to the U.S. has been at historic levels for the past 30 years in what has been called the Second Great Migration Wave. In contrast to the vast immigration from 1880 through 1920, the majority of these recent migrants have come from Latin America and Asia rather than Europe. This immigration has significantly impacted Utah, as its foreign-born population[1] increased from 58,600 in 1990 to 158,664 in 2000, accounting for at least 20% of the population growth of the state in the 1990s. About three-quarters (74,058) of this increase originated in Latin America. Because of the magnitude and regional sources of these flows, this most recent wave of immigration has dramatically increased the racial and ethnic diversity of the nation and Utah.

Immigration to the U.S.

Immigration has exerted an enormous influence on the development of the United States. From the colonial period to about 1880, immigrants came primarily from Northern and Western Europe, especially England, France, Germany, Scotland, Ireland, and Africa. The wave of migration that extended from 1880 to 1920 was much larger in scope and originated largely in Eastern and Southern Europe. By 1910, the foreign-born population of 13.5 million was 14.7% of the U.S. population.

Immigration to the U.S. was virtually unregulated until the passage of quotas in 1921. The effect of these restrictions was a reduction in the number of immigrants to the U.S. The quota system was abolished in 1965 and replaced by a system based on family reunification, skills, and refugee status--Immigration is still, however, limited in total number. Further changes in U.S. immigration policy, including a blanket amnesty of 3 million undocumented persons in 1986, combined with international political and economic instability, military actions, free trade policies, and a relatively strong U.S. economy have led to the substantial increases in immigration (both legal and illegal) to the U.S.[2] The cumulative effect of these forces has been an expansion of the foreign-born population to an historic level of 31.1 million in 2000. This is a more than doubling of the 14.1 million foreign-born in the U.S. in 1980. The foreign-born population is now 11.0% of the total population, still well below the 14.7% share in 1910. Over half (51.7%) of this population is from Latin America, while about a fourth (26.4%) is from Asia, and 15.8% is from Europe.

Immigration to Utah

While immigration to Utah has certainly been affected by national trends, internal migration patterns (within the U.S.) and factors unique to the state have also had major influences. As is true for the nation, the Utah foreign-born population has increased significantly (both absolutely and relatively), particularly since 1990. The European share of the Utah foreign-born has diminished; the Asian and Latin American shares have exploded; and the Eastern European foreign-born share has risen somewhat. While these developments are similar to those at the national scale, Utah has differences in both the relative size and composition of its foreign-born population that derive from its historical experience.

The first large settlement to Utah by Europeans was by memebers of the Church of Jesus Christ of Latter-Day Saints (LDS Church) beginning in 1847. Virtually all of the Utah foreign-born population in 1880 was Northern and Western European and associated with the LDS Church The completion of the transcontinental railroad in 1869 and the subsequent development of the mining industry facilitated the migration of many persons of other faiths, cultures, and regions to Utah. These included the Chinese, Southern and Eastern Europeans, and Mexicans. Even with these substantial migrations from other regions, Northern and Western Europeans continued to be the majority of Utah's foreign-born population. While they were 54% of the nation's foreign-born population in 1910, they were 80% of that of Utah.

Among the Asian born population, Japanese began arriving in Utah in small numbers early in the 20th Century, mostly associated with railroads, coal mines, agriculture, and a variety of commercial and other occupations of the growing urban area. In the 1920s and 1930s, some Filipino migrant laborers came to Utah, but it was not until the post-Korean War era that Filipinos and also Koreans arrived in Utah in larger numbers. Beginning in the 1960s, college and university students have come to Utah from the Philippines, Taiwan, Korea, Iran, and India, among others. Changes in immigration laws and the Vietnam War brought Southeast Asian immigrants, many with refugee status (particularly Vietnamese, Cambodian, and Laotian); this migration peaked in the 1980s. By 1990, Southeastern Asians became the numerically largest foreign-born Asians, overtaking the Eastern Asians.

The Pacific Islander population began arriving in small numbers in Utah around 1875, the result of LDS Church missionary efforts. The largest migration of Pacific Islanders has occurred since 1970. Tongans, Samoans, Hawaiians, Maoris, and Tahitians all established growing communities in Utah, as a result of continued LDS missionary efforts, family relations, and economic opportunity. There were 4,662 Utah residents born in Polynesia reported in the 2000 Census. This represents 2.9% of the state's foreign-born population, significantly larger than the 0.1% Polynesian share of the national population. Utah had 13.2% of the nation's foreign-born Polynesians in 2000.

Mexicans populated the Southwest Region of the present day U.S., including Utah, from at least the early 1800s, contributing to the livestock, mining, and railroad industries. With the establishment of the defense sector in Utah during World War II, the demand for labor again brought Hispanics from New Mexico and Colorado. Mexican immigrants came to the U.S. in large numbers beginning in 1942 with the establishment of the Bracero Program, which facilitated the employment of temporary guest workers in the war effort. After the war, the program was extended to provide labor primarily to the agricultural sector. When the program was terminated in 1964, the era of illegal immigration to the U.S. began.

Because migration networks were well established, undocumented migrants continued to enter the U.S. from Mexico. The volume of this migration has been affected by relative labor market conditions, the cost of migration, and policy changes. The most significant of recent policies was the Immigration Reform and Control Act (IRCA) of 1986 that increased border enforcement, increased penalties to employers of undocumented workers, established an agricultural guest worker program (H-2A), and offered amnesty to long-time undocumented

[1] A person is considered "foreign-born" if that person resides, but is not a U.S. citizen at birth. In contrast, a "native" is either born in the United States (or a U.S. Island Area) or is born outside the U.S. with at least one parent who is a citizen of the U.S.

[2] An undocumented (also called illegal or unauthorized) immigrant is a person who entered the U.S. without legal authorization to live or work in the U.S.

residents. The latter resulted in about three million persons acquiring amnesty, two-thirds of whom were from Mexico.

Mexico is currently the single largest source country of the foreign-born population of Utah, with 66,478 persons, up from 8,922 in 1990. In fact, the migration from Mexico accounts for nearly 57.5% of the increase in the Utah foreign-born population and 11.3% of the increase of the total population of the state from 1990 to 2000. Utah has a much larger share of Mexicans in the foreign-born population (41.9%) than does the nation (29.5%). Migration from South America has also increased substantially from 3,176 foreign-born in 1990 to 12,745 in 2000.

Eastern Europeans have come to Utah in small but increasing numbers, especially since 1990 from Bosnia and Herzegovina. At 4.6%, Northern Europeans are still a larger share of the Utah foreign-born population in 2000 as compared to 3.1% nationally.

Changing Racial and Ethnic Composition of the U.S.

The U.S. Census Bureau differentiates between place of birth, and race and ethnic origin. In fact, many immigrants have been counted in the "White" category. These include persons from Eastern and Southern Europe and the Middle East, among others. While the foreign born population is relatively large and growing, the majority of persons defined as "minority" are in fact born in the U.S. (to either immigrant or resident parents) and are by definition residents. The reason recent immigration has increased the ethnic and racial diversity of the nation is because the new source regions correspond to non-White race categories (especially Asian) and Hispanic (as opposed to non-Hispanic) ethnicity.

The minority population declined to its officially lowest share of 10.2% of the U.S. population in 1940, with the Black share of the population at 9.8%. The minority share increased slightly to 11.4% in 1960. Subsequently the proportion increased dramatically, especially from 1990 to 2000 when it reached 30.9%. The nation's new largest minority is the Hispanic population. Previously, African Americans had been the largest minority with an increasing share of the national population since 1940. Certainly, American Indians outnumbered Blacks in the early history of the country; however, they were not included in the early enumerations and there was not a serious effort to count them until at least 1920. With recent international migrations from Latin America and Asia, these populations have increased more rapidly than the white non-Hispanic population. These immigrants are young and, in the case of Hispanics, have relatively high fertility rates. These have combined to result in what is, and should continue to be, a very rapidly growing minority population.

Utah's Changing Racial and Ethnic Composition

In 2000, the foreign-born share of the Utah population (7.1%) was lower than that of the nation (11.1%). The majority of immigrants to the U.S. have traditionally settled in six major gateway states: California, Texas, Florida, New York, New Jersey, and Illinois. Over the past decade the majority of immigrants may have entered through these traditional gateways, but a new settlement pattern has emerged. Rather than staying in these historic receiving states, substantial numbers continued their migration to interior states beyond established migration patterns. As one of these nontraditional interior-receiving states, the diversity of Utah increased more rapidly than that of the nation as a whole in the 1990s as the foreign-born share of the population more than doubled.

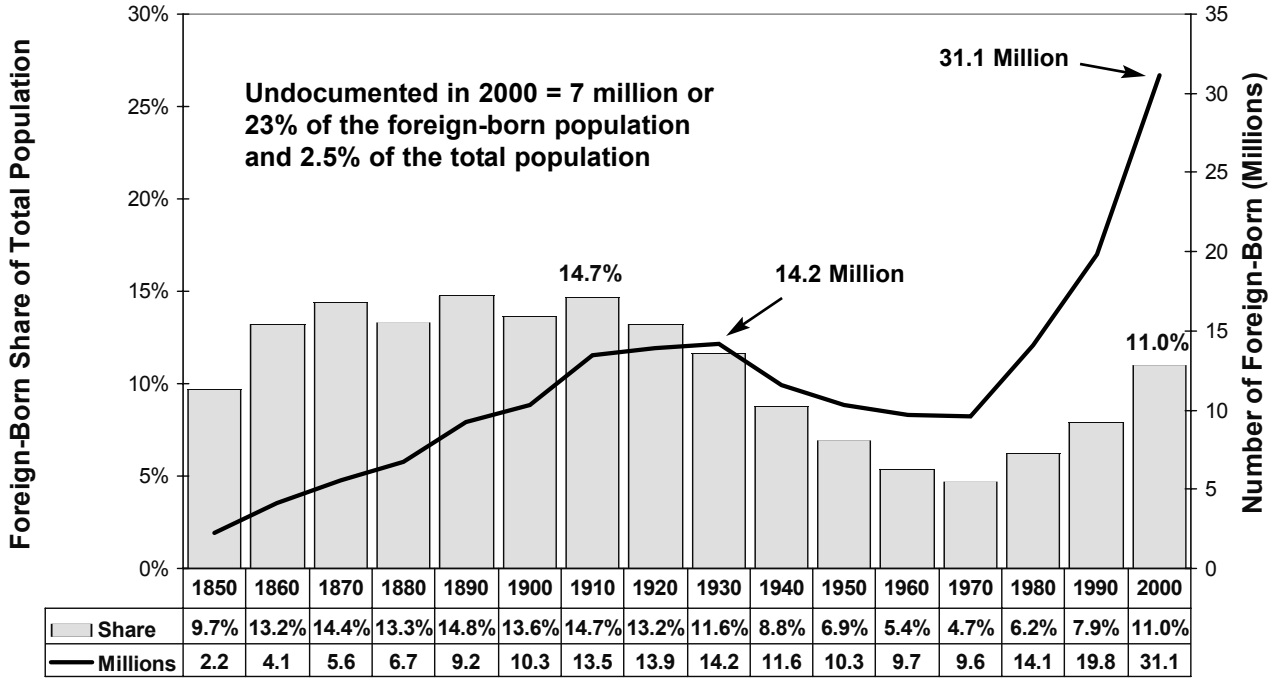
The large immigration to Utah over the past decade has dramatically increased the diversity of the state. Of particular significance is the more than doubling (138%) of the Hispanic population in Utah from 1990 to 2000, two-thirds of whom identify themselves as Mexican. The changing racial and ethnic composition of the state has been mainly determined by changes in immigration patterns over time. According to the census counts, Whites were at least 98% of the Utah population from 1850 through 1960. The official count of White non-Hispanics fell to 85% of the Utah population in 2000. The Hispanic population is by far Utah's largest minority group, composing 61% of all Utah minorities. Over the decade of the 1990s, the White non-Hispanic majority population grew by 21% while the minority population (Hispanic and non-White, non-Hispanic) grew by 117%. The Utah population grew by over half a million during the 1990s. About 35% of this population increase has occurred in the minority population.

Even though the White population continues to be the largest (albeit with a declining share) race group in Utah, it is far from a homogeneous group. About 44% of Hispanics identified themselves as White in the 2000 Census. The dissolution of the Soviet Union and the fall of the communist governments in the former Soviet satellites initiated a migration of Eastern Europeans to Utah over the last decade. These have included Russians, Polish, Bosnians and Croatians. The failed attempt to add Arab Americans as a separate race category in the 2000 census resulted in their continued categorization as White. All of these populations were classified along with the original Mormon Pioneers (LDS immigrants) of Northern and Western European nativity as "White" in the census counts. A great cultural, ethnic, and national diversity has been hidden within this category.

Conclusions

The Utah population is becoming more diverse, primarily as a result of increased international immigration, and this trend is expected to continue. Numerically, the greatest contribution to this has been the international immigration of Hispanics to Utah, especially from Mexico. This migration is national in scope and also has brought more Asians, Pacific Islanders, and Eastern Europeans. This represents a significant change from the past when Western and Northern Europe were the majority source regions for all previous census counts. Certainly, Utah will continue to be less racially diverse than the nation in the foreseeable future. However, the forces encouraging immigration to this country will continue to attract diverse populations, particularly Hispanics.

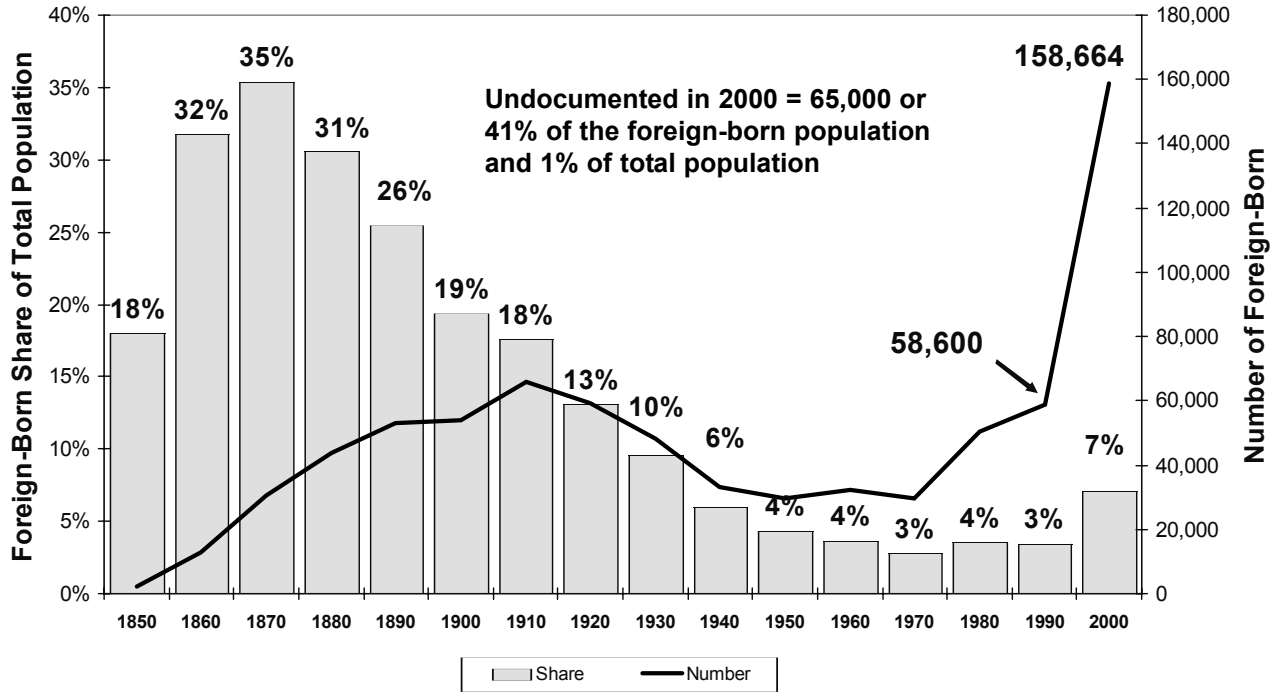
Figure 73
U.S. Foreign-Born Population: 1850 to 2000



	1850	1860	1870	1880	1890	1900	1910	1920	1930	1940	1950	1960	1970	1980	1990	2000
Share	9.7%	13.2%	14.4%	13.3%	14.8%	13.6%	14.7%	13.2%	11.6%	8.8%	6.9%	5.4%	4.7%	6.2%	7.9%	11.0%
Millions	2.2	4.1	5.6	6.7	9.2	10.3	13.5	13.9	14.2	11.6	10.3	9.7	9.6	14.1	19.8	31.1

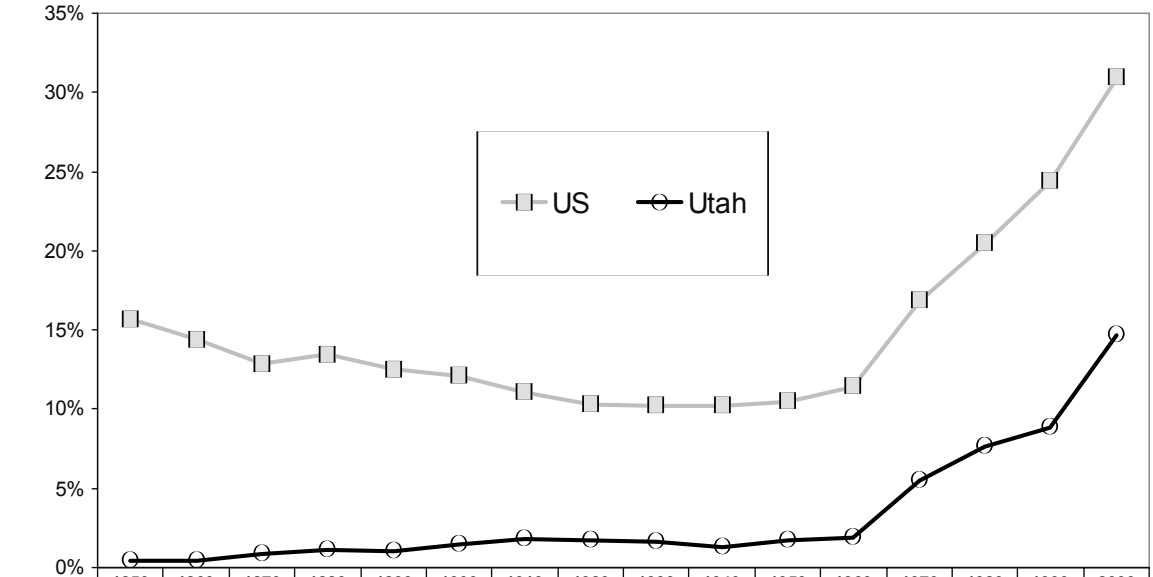
Sources: Bureau of the Census, Immigration and Naturalization Service, BEBR Calculations.

Figure 74
Utah Foreign-Born Population: 1850 to 2000



Sources: Bureau of the Census, Immigration and Naturalization Service, BEBR Calculations.

Figure 75
Minority Share of the Population: Utah & US

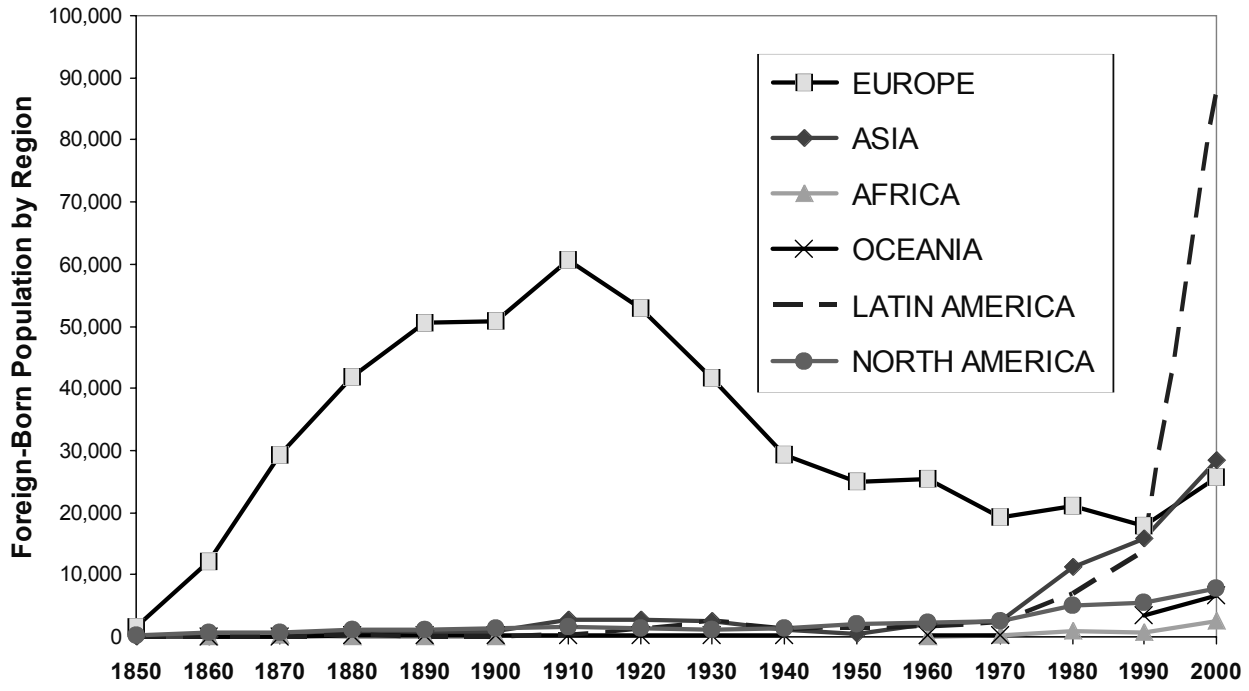


	1850	1860	1870	1880	1890	1900	1910	1920	1930	1940	1950	1960	1970	1980	1990	2000
US	15.7%	14.4%	12.9%	13.5%	12.5%	12.1%	11.1%	10.3%	10.2%	10.2%	10.5%	11.4%	16.8%	20.4%	24.4%	30.9%
Utah	0.4%	0.4%	0.9%	1.1%	1.0%	1.5%	1.8%	1.7%	1.6%	1.3%	1.7%	1.9%	5.5%	7.6%	8.8%	14.7%

Sources: Bureau of the Census, Gibson and Jung (2002), Perlich (2002)

Note: Prior to 1970, minority is non-White. For 1970 and beyond, minority is non-White (may be Hispanic or non-Hispanic) plus Hispanic (may be of any race).

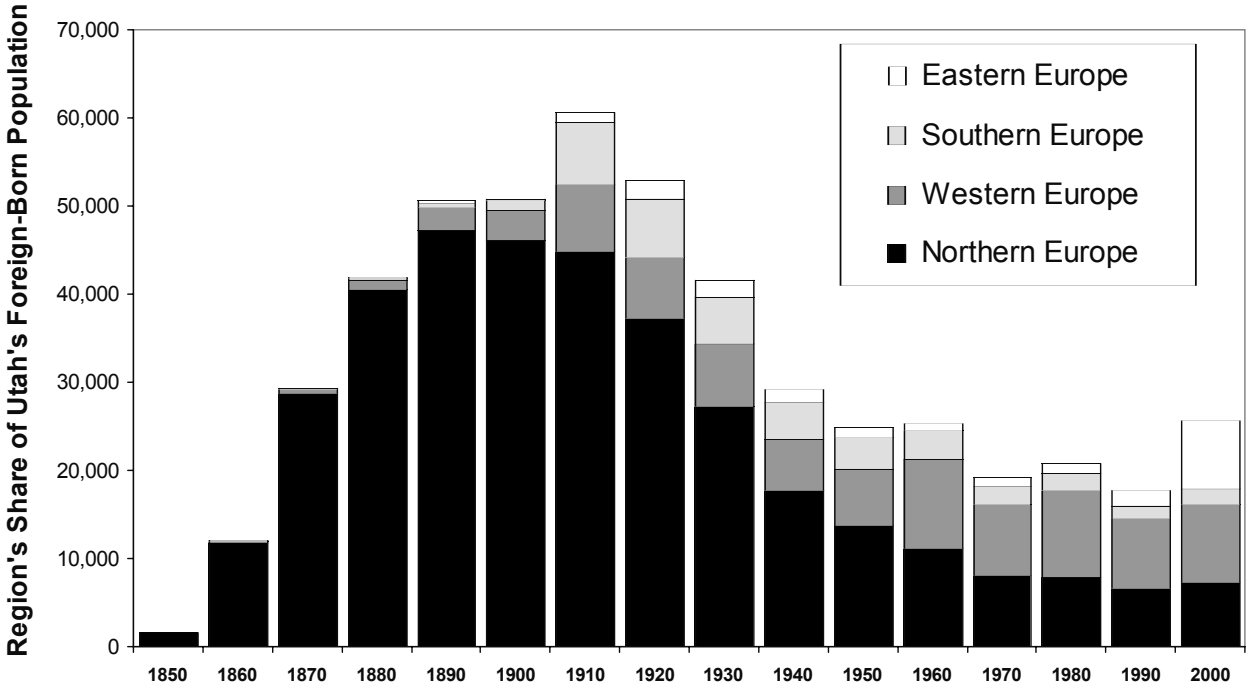
Figure 76
Source Regions of Utah's Foreign-Born Population



Sources: Bureau of the Census, Jensen (1994), BEBR Calculations.

Note: Individuals not otherwise classified are omitted from the figure.

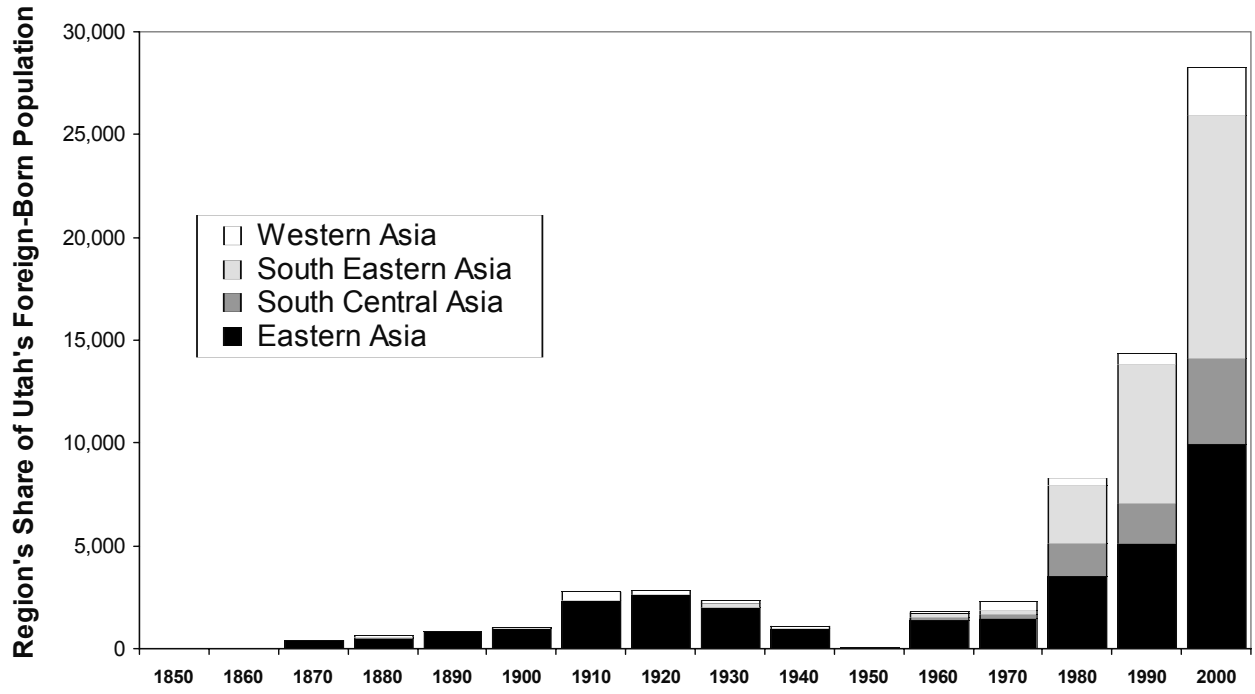
Figure 77
Utah's European Foreign-Born Population by Region



Sources: Bureau of the Census, Jensen (1994), BEBR Calculations.

Note: Europeans not otherwise classified are omitted from the figure.

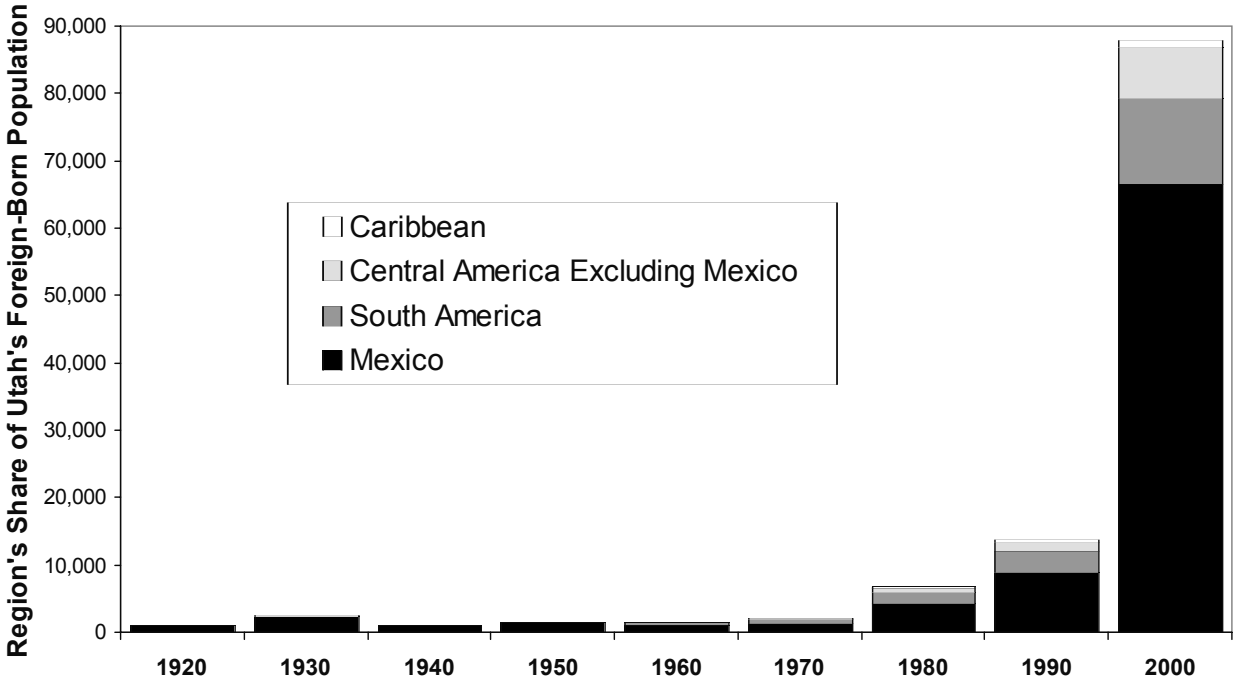
Figure 78
Utah's Asian Foreign-Born Population by Region



Source: Bureau of the Census, Jensen (1994), BEBR Calculations.

Note: Asians not otherwise classified are omitted from the figure.

Figure 79
Utah's Latin American Foreign-Born Population by Region



Sources: Bureau of the Census, Jensen (1994), BEBR Calculations.

Table 90
Birthplace of the Foreign-Born Population: Utah and the U.S. (2000)

Region and country or area	Utah		United States	
	Number	Percent	Number	Percent
Foreign-born population	158,664	100.0%	31,107,889	100.0%
Europe	25,640	16.2%	4,915,557	15.8%
Northern Europe	7,316	4.6%	974,619	3.1%
United Kingdom	4,784	3.0%	677,751	2.2%
Ireland	264	0.2%	156,474	0.5%
Sweden	613	0.4%	49,724	0.2%
Western Europe	8,777	5.5%	1,095,847	3.5%
Austria	238	0.2%	63,648	0.2%
France	839	0.5%	151,154	0.5%
Germany	5,086	3.2%	706,704	2.3%
Netherlands	2,020	1.3%	94,570	0.3%
Southern Europe	1,836	1.2%	934,665	3.0%
Greece	495	0.3%	165,750	0.5%
Italy	580	0.4%	473,338	1.5%
Portugal	161	0.1%	203,119	0.7%
Spain	594	0.4%	82,858	0.3%
Eastern Europe	7,675	4.8%	1,906,056	6.1%
Czechoslovakia*	460	0.3%	83,081	0.3%
Hungary	198	0.1%	92,017	0.3%
Poland	627	0.4%	466,742	1.5%
Romania	449	0.3%	135,966	0.4%
Belarus	68	0.0%	38,503	0.1%
Russia	1,392	0.9%	340,177	1.1%
Ukraine	518	0.3%	275,153	0.9%
Bosnia and Herzegovina	2,526	1.6%	98,766	0.3%
Yugoslavia	454	0.3%	113,987	0.4%
Europe, not elsewhere classified	36	0.0%	4,370	0.0%
Asia	28,373	17.9%	8,226,254	26.4%
Eastern Asia	9,951	6.3%	2,739,510	8.8%
China	4,830	3.0%	1,518,652	4.9%
Hong Kong	537	0.3%	203,580	0.7%
Taiwan	1,098	0.7%	326,215	1.0%
Japan	1,908	1.2%	347,539	1.1%
Korea	3,013	1.9%	864,125	2.8%
South Central Asia	4,179	2.6%	1,745,201	5.6%
Afghanistan	104	0.1%	45,195	0.1%
Bangladesh	28	0.0%	95,294	0.3%
India	2,030	1.3%	1,022,552	3.3%
Iran	1,050	0.7%	283,226	0.9%
Pakistan	749	0.5%	223,477	0.7%
South Eastern Asia	11,822	7.5%	3,044,288	9.8%
Cambodia	944	0.6%	136,978	0.4%
Indonesia	323	0.2%	72,552	0.2%
Laos	1,659	1.0%	204,284	0.7%
Malaysia	233	0.1%	49,459	0.2%
Philippines	2,680	1.7%	1,369,070	4.4%
Thailand	959	0.6%	169,801	0.5%
Vietnam	4,920	3.1%	988,174	3.2%
Western Asia	2,307	1.5%	658,603	2.1%
Iraq	545	0.3%	89,892	0.3%
Israel	198	0.1%	109,719	0.4%
Jordan	113	0.1%	46,794	0.2%
Lebanon	339	0.2%	105,910	0.3%
Syria	99	0.1%	54,561	0.2%
Turkey	113	0.1%	78,378	0.3%
Armenia	377	0.2%	65,280	0.2%
Asia, not elsewhere classified	114	0.1%	38,652	0.1%

* Includes Czech Republic and Slovakia

Source: U.S. Census Bureau, Census 2000 Summary File 3, Matrix PCT19.

Table 90 (continued)
Birthplace of the Foreign-Born Population: Utah and the U.S. (2000)

Region and country or area	Utah		United States	
	Number	Percent	Number	Percent
Foreign-born population	158,664	100.0%	31,107,889	100.0%
Africa	2,414	1.5%	881,300	2.8%
Eastern Africa	880	0.6%	213,299	0.7%
Ethiopia	151	0.1%	69,531	0.2%
Middle Africa	25	0.0%	26,900	0.1%
Northern Africa	590	0.4%	190,491	0.6%
Egypt	99	0.1%	113,396	0.4%
Southern Africa	620	0.4%	66,496	0.2%
South Africa	612	0.4%	63,558	0.2%
Western Africa	179	0.1%	326,507	1.0%
Ghana	80	0.1%	65,572	0.2%
Nigeria	71	0.0%	134,940	0.4%
Sierra Leone	-	0.0%	20,831	0.1%
Africa, not elsewhere classified	120	0.1%	57,607	0.2%
Oceania	6,612	4.2%	168,046	0.5%
Australia and New Zealand Subregion	1,516	1.0%	83,837	0.3%
Australia	713	0.4%	60,965	0.2%
Melanesia	123	0.1%	32,305	0.1%
Micronesia	311	0.2%	16,469	0.1%
Polynesia	4,662	2.9%	35,194	0.1%
Oceania, not elsewhere classified	-	0.0%	241	0.0%
Latin America	87,883	55.4%	16,086,974	51.7%
Caribbean	1,015	0.6%	2,953,066	9.5%
Barbados	35	0.0%	52,172	0.2%
Cuba	340	0.2%	872,716	2.8%
Dominican Republic	313	0.2%	687,677	2.2%
Haiti	112	0.1%	419,317	1.3%
Jamaica	73	0.0%	553,827	1.8%
Trinidad and Tobago	35	0.0%	197,398	0.6%
Central America	74,123	46.7%	11,203,637	36.0%
Mexico	66,478	41.9%	9,177,487	29.5%
Other Central America	7,645	4.8%	2,026,150	6.5%
Costa Rica	444	0.3%	71,870	0.2%
El Salvador	3,201	2.0%	817,336	2.6%
Guatemala	2,389	1.5%	480,665	1.5%
Honduras	865	0.5%	282,852	0.9%
Nicaragua	405	0.3%	220,335	0.7%
Panama	267	0.2%	105,177	0.3%
South America	12,745	8.0%	1,930,271	6.2%
Argentina	1,735	1.1%	125,218	0.4%
Bolivia	428	0.3%	53,278	0.2%
Brazil	2,507	1.6%	212,428	0.7%
Chile	1,405	0.9%	80,804	0.3%
Colombia	1,450	0.9%	509,872	1.6%
Ecuador	889	0.6%	298,626	1.0%
Guyana	78	0.0%	211,189	0.7%
Peru	2,357	1.5%	278,186	0.9%
Venezuela	1,581	1.0%	107,031	0.3%
Northern America	7,735	4.9%	829,442	2.7%
Canada	7,722	4.9%	820,771	2.6%
Born at sea	7	0.0%	316	0.0%

Source: U.S. Census Bureau, Census 2000 Summary File 3, Matrix PCT19.

Long-Term Projections Tools: From UPED to REMI

Overview

Beginning with the 2004 Baseline, the Governor's Office of Planning and Budget will use the REMI model to produce the official long-term projections for the State of Utah and its counties. The REMI model replaces the UPED model, which has been used since the early 1970s to produce Utah's projections and to conduct alternative scenario analysis to aid in state and local planning activities.

Introduction

In 2002, the State of Utah instituted a significant change in the way it projects population and employment. It switched from using the Utah Process Economic and Demographic (UPED) model to using a model from Regional Economic Models Incorporated (REMI) to produce the official long-term baseline projections. The adoption of the REMI model will enable the state to continue to provide high quality projections to analysts and decision-makers.

Models and Modeling

In order to make educated decisions about how to allocate scarce resources to competing demands, it is necessary for decision-makers to have the best possible information about what the future may hold. Forecasts allow the analysis of future periods given historical trends. These forecasts help frame the debate of how we plan for the future and can extend to any time period.

Models potentially provide an effective way to evaluate different policy issues. The primary purpose of a model is to represent as accurately as possible what is happening in the "real world." Because the world is so complex, it is impossible to create a model that perfectly reflects the numerous interactions that occur. A model, therefore, is essentially a simplified representation of reality.

Models can range from verbal statements, to diagrams, graphs, and physical models, to mathematical models. Each design has its benefits depending on its application and on what it is meant to represent. For quantitative analysis of population characteristics, mathematical models are the preferred method of representing reality. Mathematical models are useful because they: (1) allow for easy manipulation, (2) are unambiguous, (3) provide the opportunity for computation, and (4) are useful in analyzing trends and making forecasts. They consist of relationships between independent and dependent variables that are expressed in the form of an equation. In complex models, these equations are interdependent, with a change in one causing changes in others.

Models can also be either static or dynamic. In static models, a change in an independent variable directly causes a change in one or more dependent variables, but these changes only occur in a single time period. If an analyst wishes to study multiple time periods, he or she must re-run the data through the model, thus increasing the possibility of error. The benefit of dynamic models is that they allow for recursive (repeating) changes. Thus, an analyst has the ability to introduce a change to an independent variable and analyze the effects in many different time periods.

The UPED Model

The UPED model is a combination of a three-component cohort population model and an economic base employment model. It produces projections of population, components of population change (births, deaths and migration), households, labor force, and employment at the Multi-County District (MCD), or regional level. The UCAPE and CASA models are supporting models to the larger UPED model, and they allocate the UPED population, components of population change, and employment to counties. County or MCD values are aggregated to yield the projection for the State of Utah.

UPED's Historical Significance

Utah has a long tradition of developing long-term economic and demographic projections. The University of Utah's Bureau of Economic and Business Research (BEBR) conducted two studies in the late 1960s that laid the groundwork for the production of long-term projections in Utah and for the subsequent use of the UPED model. These reports, entitled *Population Projections: Utah and Utah's Counties*, and *Utah Input-Output Study: Projections of Income, Employment, Output and Revenue*, were a joint effort between BEBR and the State of Utah to study methods of creating and using projections.

The projection studies in the late 1960s led the way for an organized effort to encourage cooperation and smart planning in the State of Utah. In the early 1970s, the Office of the State Planning Coordinator began the development of a collaborative project, entitled The Utah Process, to bring all state agencies together to think about planning. The project received funding from the Department of Commerce's Office of Regional Economic Development and from the Four Corners Regional Commission. In 1972, the Governor's Office issued a report on the development of the project that documented the progress to that point.

According to the report,[1] the goal of the Utah Process development project was to create a means through which state government planning coordination could be achieved. Furthermore, the federal government sponsors wanted the project to be based on previous research and development, and for the process to be easily adaptable to the governments of other states. A vital component of planning coordination is the ability to discuss alternate futures and the implications of actions taken today. Accordingly, the project directors understood the importance of being able to model these alternative scenarios.

While the UPED model eventually became the official impact analysis model of the Utah Process, it was not envisioned as the official model from the beginning of the project. Originally, project directors intended to use a different impact model entirely. In the original Utah Process Proposal the authors stated that a different model, the Regional Economic Model (REM), would be used. The REM model was being developed by the Center for Business and Economic Research at Brigham Young University, and a modified version of the REM model was intended to be the central analytical tool in the Utah Process. Once developed, however, the characteristics of the REM model were so different from what was required for the Utah Process that the model had to be abandoned altogether. Instead, the staff determined that it was necessary to create a separate model specifically designed to meet the needs of the Utah Process. This custom model became known as the Utah Process Economic and Demographic Impact Model.

[1] Bigler, C., Bowman, R. S., Kirk, D. C., and Weaver, R. (1972). *Report on the Development of the Utah Process: A Procedure for Planning Coordination Through Forecasting and Evaluating Alternative State Futures*. Salt Lake City, UT: State Planning Coordinator, Office of Governor Calvin L. Rampton, 1-2.

The original purpose of the UPED model was not to produce the "official" long-term projections for the State of Utah and its counties. Its purpose was to provide a means for evaluating a number of alternative futures and thus enabling the discussion of these futures. Indeed, in the early 1970s there did not even exist an official, or baseline projection. However, from the very beginning, the UPED model became a constant work in progress. In the development report alone, project directors cited a number of improvements to the model that would make it more responsive to regional changes and able to produce economic and demographic projections with greater precision.

By the mid 1970s, the State Planning Coordinator's Office was using the UPED model to produce alternative futures in the Utah Process. Each alternative future was composed of one or more plausible events of an economic, demographic, political, social, or environmental nature which significantly altered courses and conditions within the state or its regions and thus changed the demands placed on public resources.[2] Because the analysis of alternative futures was the primary focus of the Utah Process, the production of "official" baseline estimates was not emphasized at first.

The 1975 report, *The Utah Process Alternative Futures*,[3] emphasizes this point. The report even criticized traditional computer models available at that time for being poorly designed in terms of their ability to respond to an analysis of alternative futures, saying: "The reason for this deficiency is that such models have been designed to extrapolate past trends to produce 'one best estimate' projections." The authors further argue that these projections will inevitably be wrong and they cannot be used to project the impacts of events which represent shifts away from past trends. The report did present a baseline projection of population and employment (called Alternative Future Zero), but the authors emphasized that this baseline represented only one possible alternative future. There was neither an attempt to imply that the baseline projection represented the most likely future, nor was there an attempt to use the baseline projection as an official projection for the State of Utah.

By 1980, the UPED model had undergone extensive revisions and refinements, expanding its ability to produce detailed population and employment projections.[4] These refinements, along with the desire for more coordinated statewide planning, provided an impetus to make the baseline projections the official projections of Utah state government. In December 1978, Governor Scott Matheson directed state agencies to use the population projections provided by the State Planning Coordinator's Office.[5] The argument in favor of using the baseline as the official projections was that for many applications, a "best guess," or most likely projection is required.

By the mid 1990s, the UPED model had become a very complex model with intricate connections and programs to perform different functions. In fact, the UPED model had become part of a larger, "Demographic and Economic Model System."[6] The model system was composed of many data sets, data manipulation programs, and the three models related to the overall UPED model. The model system included: (1) fifty-nine programs for accessing and manipulating various data sets, (2) twenty-two programs for accessing and manipulating the model outputs, and (3) twelve utility programs for checking and evaluating the model outputs during the production stage of the projection process. Virtually all of the programs were written in FORTRAN programming language.

Because of the complexity of the model, and because of concerns about the ongoing maintenance of such a complex system, in 2001 GOPB created a UPED Steering Committee to review the status of the UPED model and to make recommendations about possible alternatives to the model. After considering all the issues related to updating the UPED model, the Steering Committee recommended that GOPB switch to the REMI model for the production of the official long-term projections for the State of Utah.

The REMI Model

The REMI model first began development in 1977 as the Massachusetts Economic Policy Analysis (MEPA) model under the direction of George Treyz, an economics professor at the University of Massachusetts.[7] The model was so successful that a version of it was developed for the National Academy of Sciences. In 1980, George Treyz created Regional Economic Models, Incorporated (REMI) to maintain and market the model that he developed. Today, REMI has the ability to develop a model for each state and each county in the United States. The company is even branching outside of the borders of the U.S., creating models for Western Europe and Eastern Asia. REMI can also create either a single region model, where changes in the geographic region do not affect any other regions, or a multiple region model, in which changes in one geographic region can induce changes in the other regions of the model. The Utah Governor's Office of Planning and Budget has several REMI models for the production of its long-term projections. It has a single-region model for the state as a whole, a multi-region model that encompasses each of the 29 counties in the state, and a single region model for each of the counties in Utah individually. These three methods of analysis allow analysts to consider a variety of factors when producing the projections.

The REMI model is very similar to the UPED model, in that it combines economic and demographic components in order to produce a complete picture of the complex relationships that exist in a society. Its ability to capture these complex relationships makes REMI fairly unique among models of economic and demographic growth. This detail is also why REMI is one of the most widely used custom models in the nation. REMI's clients include a variety of federal government agencies, as well as state and local governments, and private organizations.

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2 Reeve, R., and Weaver, R., (1974). *Report on the Development and Implementation of the Utah Process Land Use and Tax Base Model (UPLAND)*. Salt Lake City, UT: State Planning Coordinator, Office of Governor Calvin L. Rampton, 1.

3 Office of the State Planning Coordinator. (1975). *The Utah Process Alternative Futures: 1975 - 1990*. Salt Lake City, UT: Office of Governor Calvin L. Rampton, 1-3.

4 Weaver, R., Hachman, F. C., Wilcox, A. S., and Reeve, T. R., (1980). *UPED79: Report on Revisions of the Utah Process Economic and Demographic Model (UPED)*. Salt Lake City, UT: Bureau of Economic and Business Research, University of Utah & Utah State Planning Coordinator's Office.

5 Utah Office of Planning and Budget. (1985). *Revised 1984 Baseline Projections: Executive Summary*. Salt Lake City, UT.

6 Reeve, T. R., and Perlich, P., (1995). *State of Utah Demographic and Economic Projection Model System*. Salt Lake City, UT: Governor's Office of Planning and Budget, 5-7.

7 Lanzillo, J., Larson, M., Treyz, G. I., and Williams, R. E. (1985). *The Massachusetts Economic Policy Analysis Model Track Record: 1977 - 1983*. Amherst, MA: School of Management, University of Massachusetts.

Model Overview

The REMI model has been extensively documented and widely tested over the years. It has been subject to many technical analyses of its abilities, and the documentation of the model has been subject to peer review. The REMI model is a structural model, which means that it includes cause-and-effect relationships among the different parts. The basic assumptions underlying the model are that households maximize utility and that producers maximize profits. It has foundations in many modeling approaches, including input-output, economic base, neoclassical general equilibrium, Keynesian, macro-modeling, economic geography, segmented labor market analysis, econometric modeling, and cohort-component modeling.[8,9]

There are five basic model blocks in the REMI model. The major blocks are: (1) output and demand; (2) labor and capital demand; (3) population and labor force; (4) wages, prices and costs; and (5) market shares. These blocks provide the foundation upon which the model linkages are built. Different parts of the REMI model are interrelated, as illustrated by the figures in this chapter. According to REMI:

> The output and demand block consists of output, demand, consumption, investment, government spending, exports, and imports, as well as feedback from output change due to the change in the productivity of intermediate inputs. The labor and capital demand block includes labor intensity and productivity as well as demand for labor and capital. Labor force participation rate and migration equations are in the population and labor force block. The wages, prices, and costs block includes composite prices, determinants of production costs, the consumption price deflator, housing prices, and the wage equations. The proportion of local, inter-regional and export markets captured by each region is included in the market shares block.[10]

The interaction of all the parts of the model come together to provide the basis for preparing baseline forecasts and for conducting alternative scenario analysis based on differences from the baseline. Furthermore, because of the model's dynamic properties, it has the ability to reflect changes that either increase or decrease over time. This is especially helpful when conducting scenario analysis of alternative futures.

The models GOPB uses to produce the official baseline long-term projections for the State of Utah and its counties were custom designed by REMI. Not only do they incorporate regional data from national sources such as the U.S. Bureau of Economic Analysis, the U.S. Bureau of Labor Statistics, and the U.S. Census Bureau, the models also specifically include locally produced data. For instance, historical population data is from the Utah Population Estimates Committee, and birth and death data is from the Utah Department of Health.

Furthermore, even though the official REMI model does not include data on households, because this information is important to Utah data users, and because GOPB specifically requested it, REMI incorporated household data into Utah's model.

Conclusion

The State of Utah has a long history of producing detailed and accurate long-term projections. The UPED model enabled analysts to consider various scenarios in order to evaluate the future ramifications of actions taken today. While GOPB switched the model it uses to produce Utah's long term projections, the overall process of producing projections remains the same. The adoption of the REMI model will ensure that Utah's official long-term projections maintain their high standards of quality and accuracy for many years to come.

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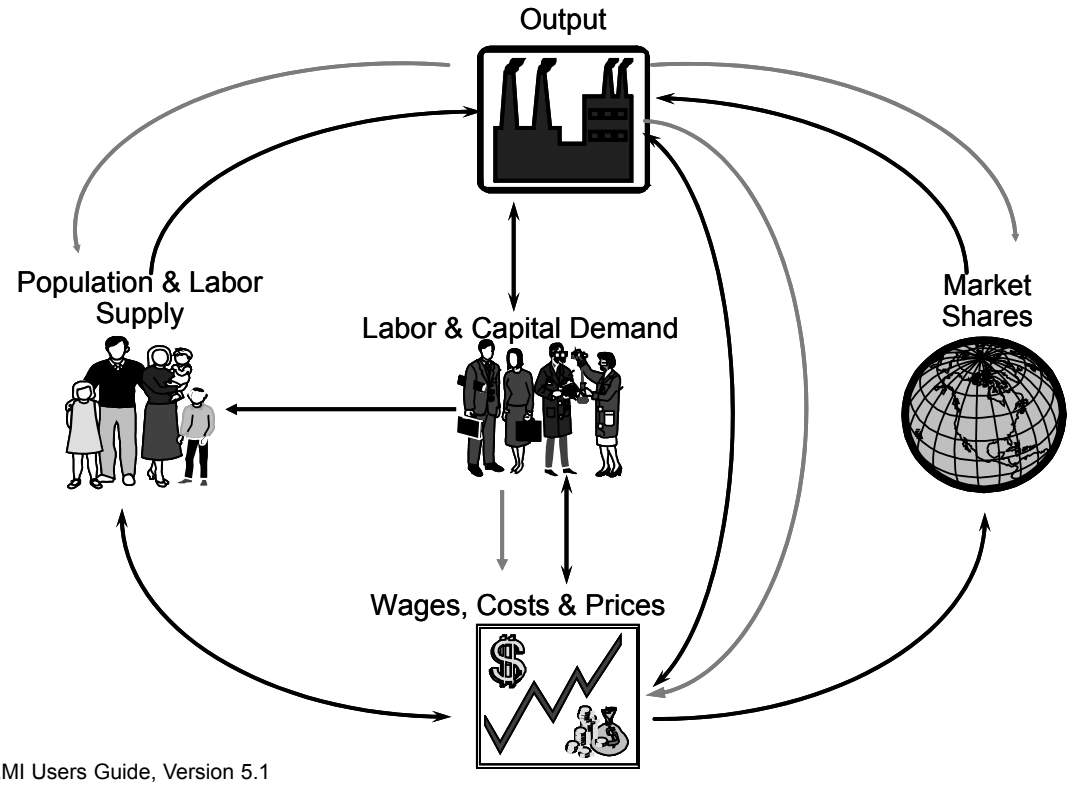
8 Treyz, G. I. (1980). "Design of a multiregional policy analysis model." *Journal of Regional Science*. 20(2).

9 Treyz, G. I., Rickman, D. S., and Shao, G. (1992). "The REMI Economic-Demographic Forecasting and Simulation Model." *International Regional Science Review*. 14(3).

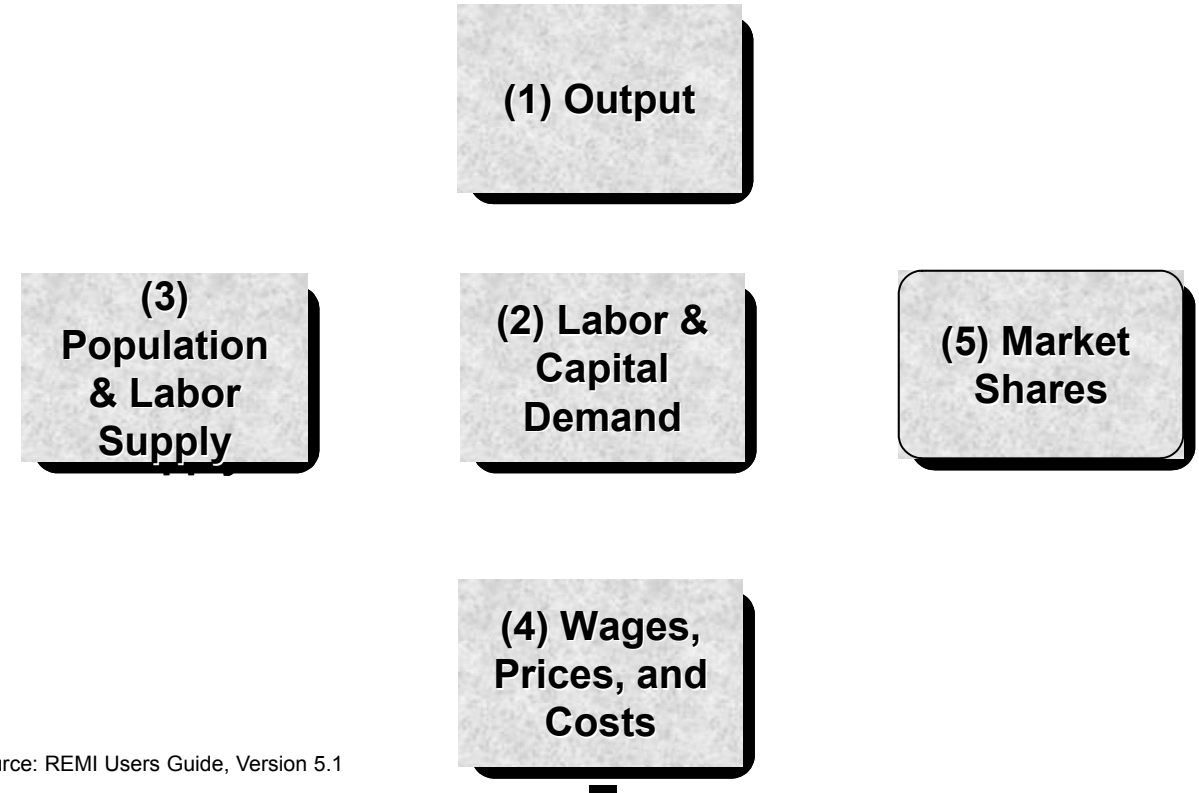
10 Regional Economic Models, Incorporated. (2002). *REMI Policy Insight Model Documentation: Version 5.1*. Amherst, MA, 7.

Figure 80
REMI Model Structure Economic Geography Linkages



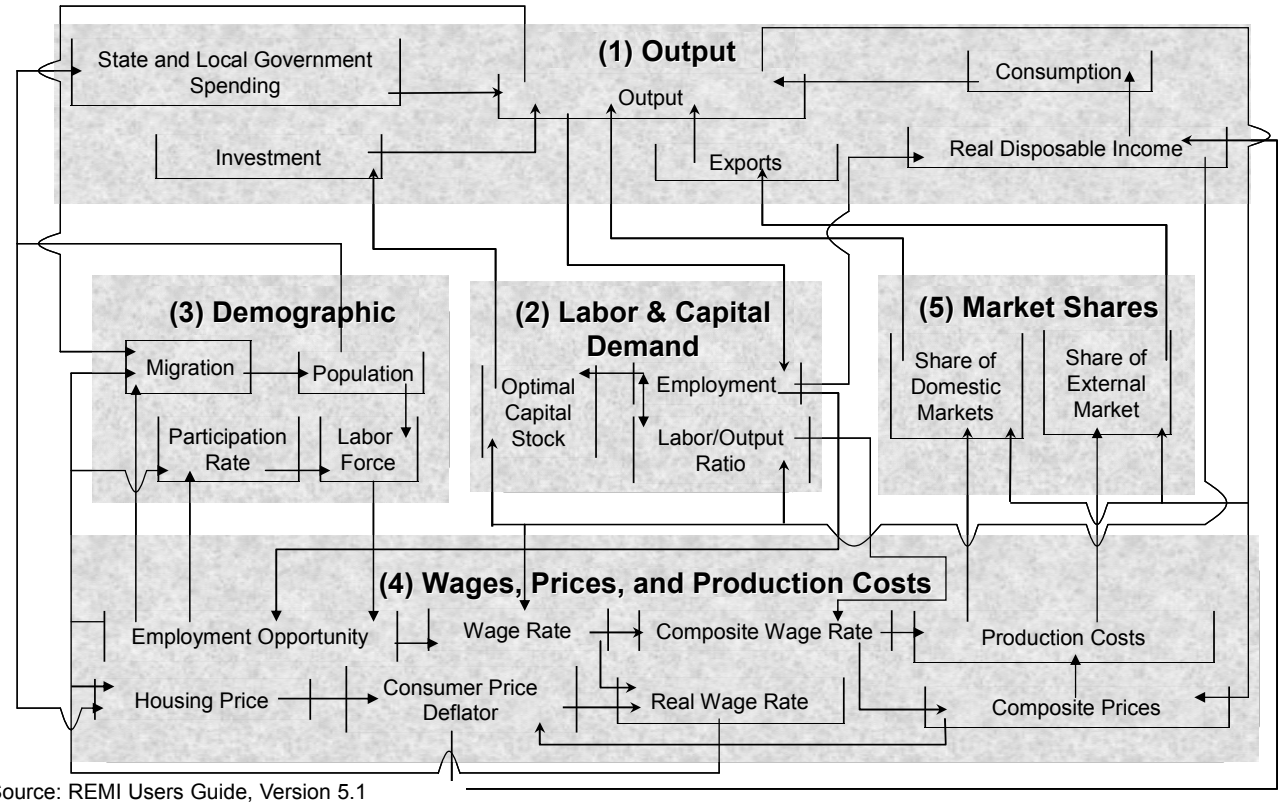
Source: REMI Users Guide, Version 5.1

Figure 81
REMI Basic Model Blocks



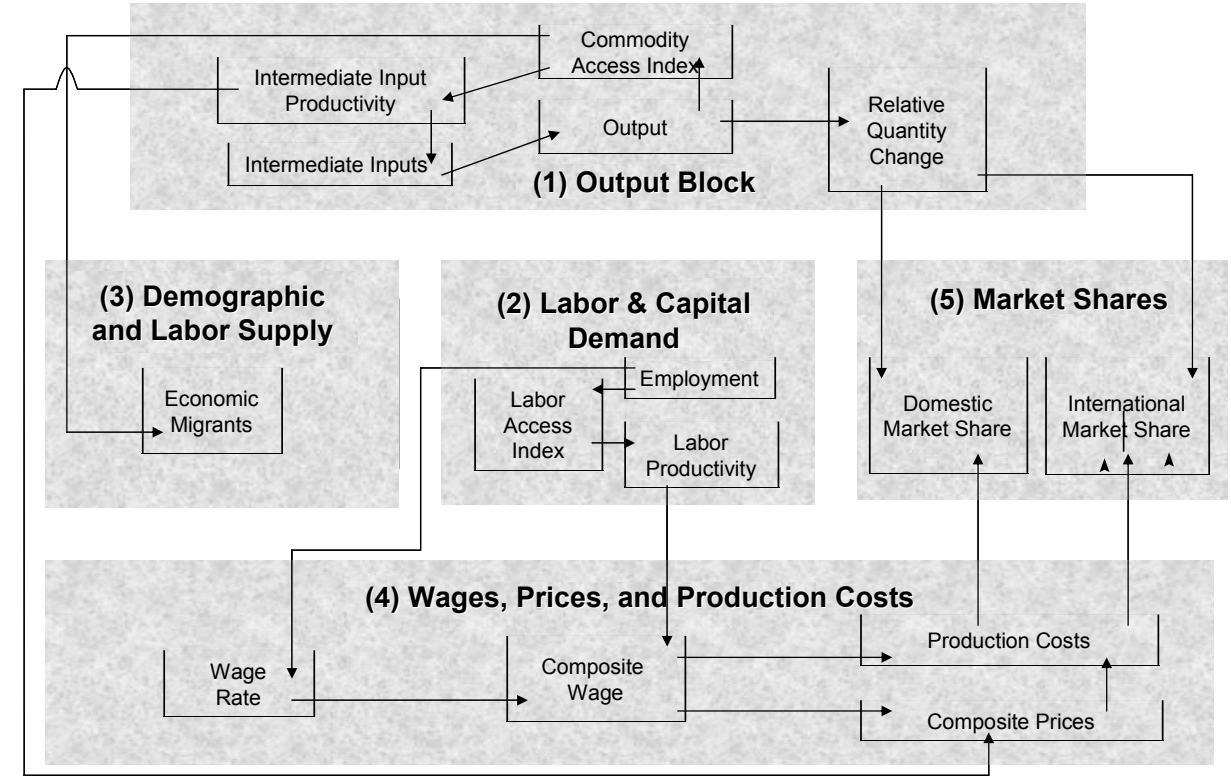
Source: REMI Users Guide, Version 5.1

Figure 82
REMI Model Structure



Source: REMI Users Guide, Version 5.1

Figure 83
Economic Geography Linkages



Source: REMI Users Guide, Version 5.1

Utah Public Education Test Scores

Overview

Despite the national last-place ranking in per pupil expenditures, Utah school districts and students keep pace with--and in some areas outperform--the majority of their national peers. On college entrance examinations, Utah public school students lead a major portion of the United States. Utah ranks ninth in the nation according to the most recent results of the Scholastic Assessment Test. After consideration of the group of students against whom norm reference tests are standardized, Utah scores that range from the upper 40th percentile to the 60th percentile become more impressive. A score above the 50th percentile reflects a performance that exceeded the performance of 50% of the students across the nation who took that test. The achievements of students within Utah represent the strong general commitment to educational excellence, from political stakeholders to parents.

Background

The onset of the federally mandated No Child Left Behind, along with other recent testing requirements, has placed the issue of student achievement in the forefront of public education debates. Most notably is the desire to compare the performance of one state against that of others and the nation as a whole. Perhaps the fuel for the debate is the search for a single indicator of student performance, or conversely, school accountability. This then leads the debate into topics concerning the efficient use of scarce public dollars while maintaining or increasing student achievement.

Measure of Efficiency

Utah maintains the most efficient school districts in the nation, according to the Hoover Institution.[1] Of the 50 largest school districts in the nation, Utah's Jordan School District was identified as producing high school graduates at a cost ($59,200) of just more than half of the national average of $108,700. Though these numbers refer to the cost of graduating high school students in 1998, data based upon the 2000 school year show that the per-graduate cost in Jordan School District decreased to $54,200. The state average for the 2000 school year was $59,400.

College Bound Student Test Scores

Utah ranks 20th in the nation according to the 2001 ACT results. While nationally 40% of the students who took this college entrance exam scored 20.8, two-thirds of Utah students who took this test achieved an average composite score of 21.3. Scholastic Assessment Test results rank Utah ninth in the nation with an average composite score of 1,145. On Advanced Placement tests, 69.8% of Utah students who took the tests scored at least the minimum passing score of three, compared to 61.0% nationally.[2]

National Comparisons of Norm Reference Tests

National percentile scores are standardized against a sample group of students whose demographics are 1.8% limited English proficient, 33% private school students, and 28% eligibility for Free or Reduced Lunch programs. Utah's student population includes 8.6% limited English proficient, 2.8% private school student, and 29% Free or Reduced Lunch eligibility rates. The norm reference group is constructed to perform better than half of the students. Utah students' achievement performance is consistently better than half of the students who take the tests nationwide (while it may appear that a score at the 50th percentile is a failing score, it reflects performance that is better than 50% of the students across the nation who took that test).

Utah Student Achievement on the SAT9

The Stanford Achievement Test, ninth edition, is a nationally normed test to compare the achievement of students against their peers. The subtests include curriculum areas such as math, language, science, and social studies, among others. Generally, Utah students perform either at the 50th percentile or slightly above average. Based upon Fall 2002 results, Utah students need to improve language skills such as grammar and listening. On the language subtest, fifth graders performed at the 50th percentile while eighth and eleventh graders performed at the 47th percentile. Reading results showed Utah fifth graders performing better than 49% of their peers nationwide while eighth and eleventh graders fared at the 51st and 55th percentiles respectively. Overall, the state's students performed best on the math subtest scoring at the 49th, 56th, and 68th percentiles in the fifth, eighth, and eleventh grades.[3]

Given the fiscal environment of Utah schools (Utah ranked 51st in the nation, including the District of Columbia, in per pupil spending), Utah school districts and students still test at or above national averages. Per pupil expenditures are at all-time highs for the state, but still fall approximately $700 short of Mississippi, which ranks 50th.

Student Achievement as Compared to Median Household Income

District test scores are correlated with the median household income[4] of the district. If the median household income was above that of the state, one would expect that the test scores of that district are different from those of districts where median household income levels are below the state median. In fact, test scores differ by as much as eight percentage points between the school districts below the state median household income and the districts above state median household income. The students in school districts where the median household income exceeded that of the state, outperformed their peers on the complete battery score of the 2002 Stanford 9. These results are significant at the 0.05 level. Fifth, eighth, and eleventh grade students in districts with a median household income above that of the state ($45,726), on average, scored at the 56th, 58th, and 60th percentiles. Fifth, eighth, and eleventh grade students who attended schools in districts with a median household income level below the state median performed at the 50th, 50th, and 53rd percentiles.

[1] Walberg, H. J. (2002). *Hold Schools Accountable for Cost of Finished Graduate*. Stanford, Hoover Institution. Walberg's efficiency index is computed by dividing the product of per pupil expenditure and 13, by the corresponding graduation rate.

[2] The College Board (2003) provides the national comparison of ACT results. SAT results should not be applied to the general population of students. The tests are representative of a self-selecting population of students who are generally bound for college. A small select group of students take the SAT for entrance into private universities and Eastern United States schools.

[3] Utah State Office of Education, 2003.

[4] Median household income and poverty rate measures are from the 2000 Census.

Student Achievement as Compared to Poverty

The previous analysis also holds true for the measure of poverty. If a district's median household income is high, it logically follows that district has a comparatively lower rate of poverty. The same is true for the correlation between test scores. If higher median household incomes correlate with higher test scores, then higher poverty rates would correlate with lower test scores. Districts above the state's average poverty rate (6.8%) tended to have fifth and eighth graders score at the 49th percentile, while their eleventh grade peers averaged slightly higher at the 53rd percentile.

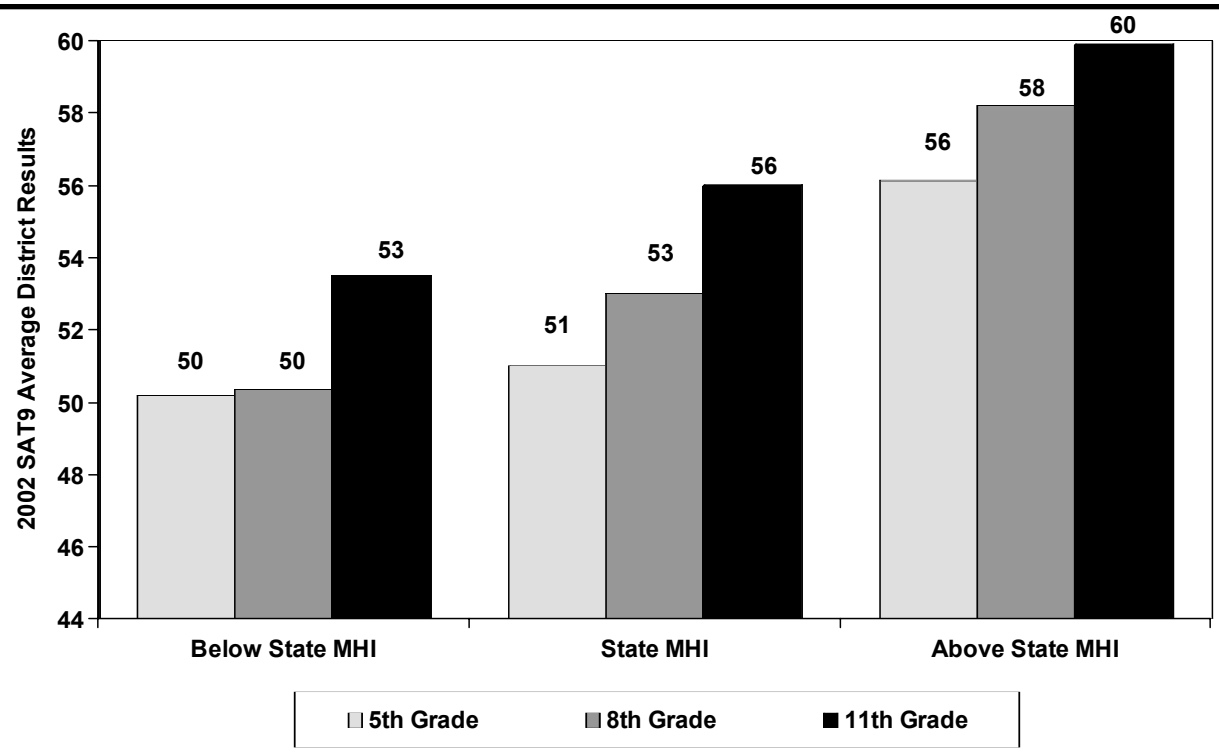
Student Achievement as Compared to District Per Pupil Assessed Valuation

School districts have varying amounts of assessed valuation within defined geographical boundaries. Local assessments provide districts the ability to generate revenue in addition to the state revenue allocated to them. The state allocation system is set up to limit the impact of variations on locally assessed valuation. Comparing student achievement at differing assessed valuation across the state shows no significant difference in achievement. The state's method of distributing fiscal resources is intended to minimize the effect of local assessment variations.

Conclusion

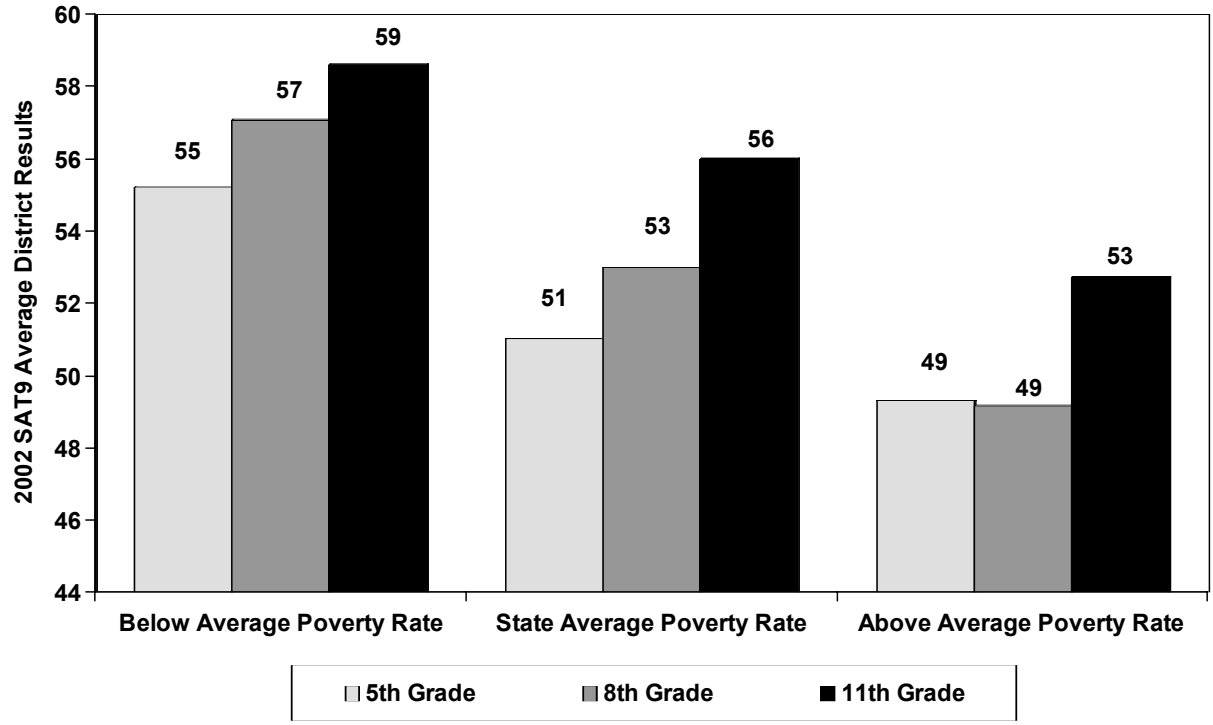
The fiscal environment in which Utah school districts operate is different than anywhere else in the nation. Notwithstanding, Utah school districts and students still keep pace with the nation in achievement. Student achievement may be affected by externalities such as district wealth; however, these effects are mitigated by the redistributive design of school funding in Utah. Districts in which there is a higher median household income tend also to have greater student achievement. Generally, test scores show that Utah students are performing at or above national standards.

Figure 84
Student Achievement as Compared to Median Household Income: Utah School Districts



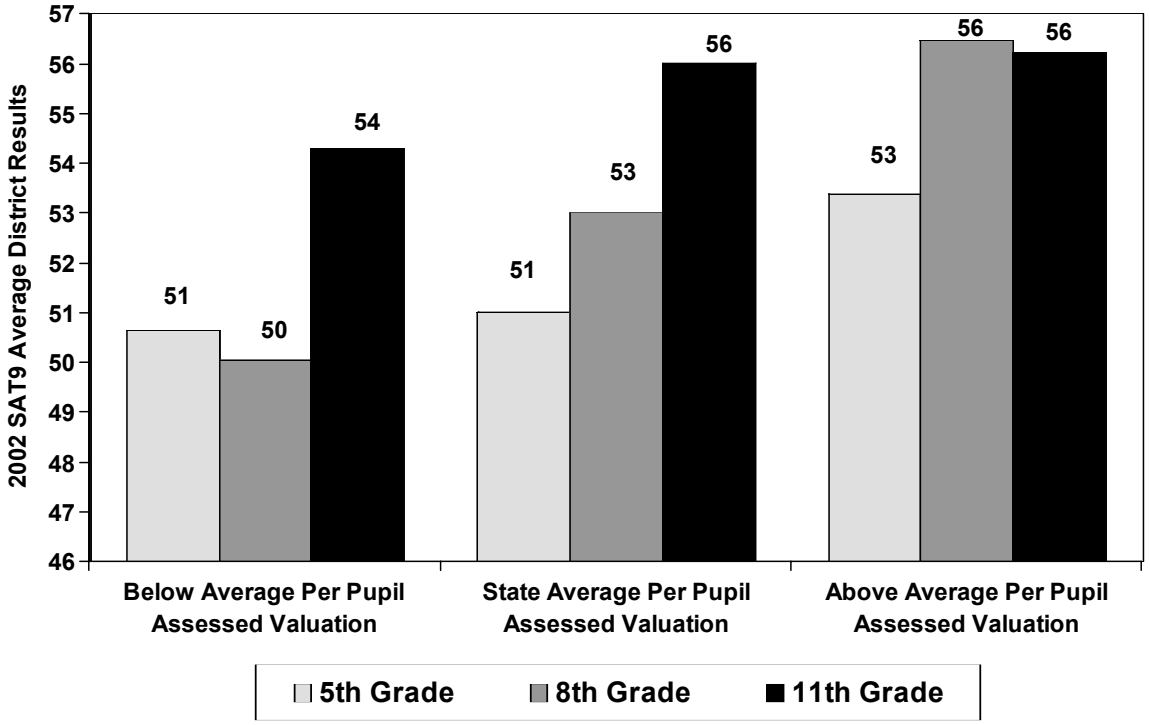
Sources: Utah State Office of Education, Utah Governor's Office of Planning and Budget, and the U.S. Census Bureau; Census 2000

Figure 85
Student Achievement as Compared to Poverty: Utah School Districts



Sources: Utah State Office of Education, Utah Governor's Office of Planning and Budget, and the U.S. Census Bureau; Census 2000

Figure 86
Student Achievement as Compared to District Per Pupil Assessed Valuation: Utah School Districts



Sources: Utah State Office of Education and the Governor's Office of Planning and Budget

Table 91
Standardized Test Scores

Stanford Achievement Test, Ninth Edition (SAT9)

	Reading	Language	Math
3rd Grade	60	38	59
5th Grade	49	50	49
8th Grade	51	47	56
11th Grade	55	47	68

College Entrance Examinations

	ACT 2001	SAT 2001
Utah Average	21.3	1,145
Percent of Students Tested	67%	
National Average	20.8	1,020
Percent of Students Tested	40%	

National Assessment of Educational Progress "The Nation's Report Card"

	Reading (2003)	Writing (2002)	Math (2003)	Science (2000)
Utah 4th Grade	219	145	235	155
Nation's 4th Grade Avg	216	153	234	148
Utah 8th Grade	261	143	281	155
Nation's 8th Grade Avg	263	152	276	149

Sources: Utah State Office of Education; College Board, 2003; and the National Center for Education Statistics